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Lockyer: Why I voted for Arnold

California JOURNAL

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Governor Schwarzenegger

Does he have political muscle?

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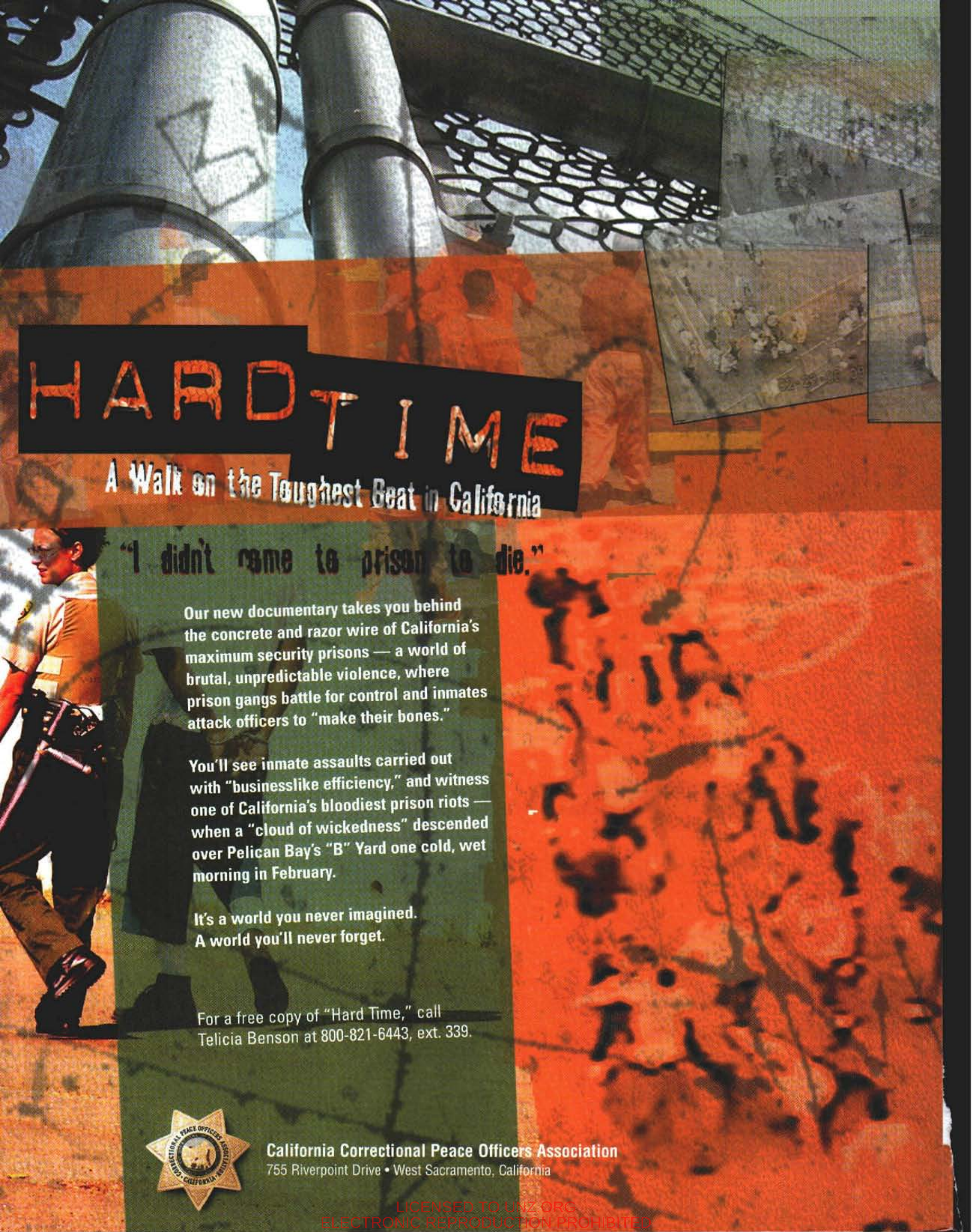

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November 2003
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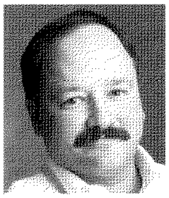
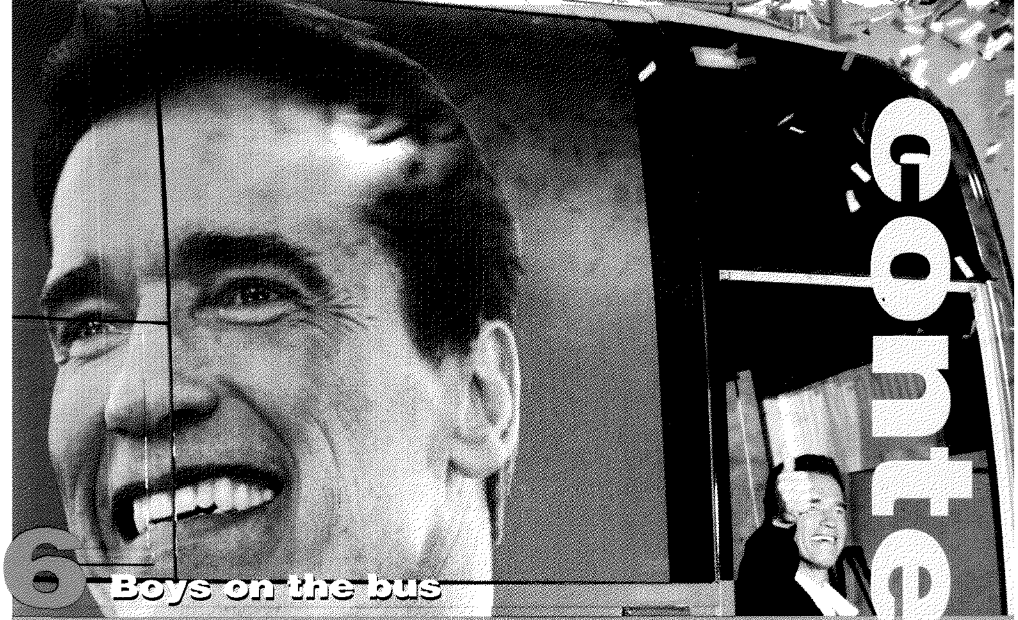
Can Schwarzenegger do better?

The only certainty is that Sacramento won't be the same after Arnold Schwarzenegger is sworn in as governor. And for most recall voters, that's all they needed to know. This year, Sacramento finally broke down when lawmakers appeared incapable of resolving a crushing financial crisis. Their partisan stalemate wasted millions of dollars in higher borrowing costs and missed savings opportunities. The big question — and the big hope — is that Schwarzenegger can do better. In this historic and special issue of *California Journal,* we explore the new and unprecedented era we are about to enter. Our writers, including some of the top insiders and analysts in Sacramento, describe the major issues on the governor's plate, the enormous pressures Schwarzenegger will face and the shakeup his election means for the major political parties. We also look back at Schwarzenegger's amazing road to recall and the legacy of outgoing Governor Gray Davis. One other certainty — we'll be talking about these days for a long time.

David Lesher

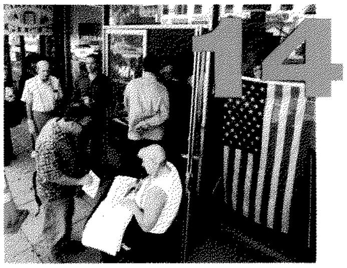




6 Boys on the bus

An inside look at Arnold Schwarzenegger's wild and amazing bus ride to the governor's office. With the media frothing at the now-infamous groping allegations against Schwarzenegger, the election becomes a zoo.

By David Lesher



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42 Kings of the Capitol's corridors

California Journal profiles the five largest lobby firms, as determined by the amount of client payments they reported last year to the Secretary of State's Office.

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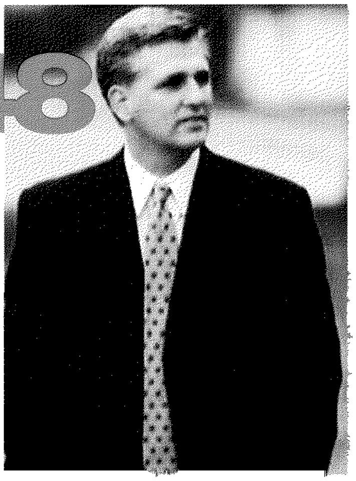
48 Meet the new boss

When Bakersfield's Kevin McCarthy takes over the Assembly Republican caucus in January, he'll lead a party galvanized by unlikely legislative and electoral victories.

By Vic Pollard



Cover photo: Arnold Schwarzenegger before his victory speech in Los Angeles. Blake Sell, Reuters, 10/8/03

umbrage

Budget woes. When lawmakers agreed to a budget in early August, no one was celebrating. For the most part, legislators put off hard decisions, opting instead to borrow significantly and issue deficit bonds. Now, the chickens have come home to roost — a judge has blocked $2 billion in borrowing and the $10.7 billion in deficit bonds is tied up in the courts. Instead of the estimated $8 billion shortfall Governor-elect Arnold Schwarzenegger was expected to face next year, the deficit could be over $20 billion. Worse, bond rating agency Standard & Poor's warned that the state could literally run out of money by fiscal year's end if the bonds don't go through. Outgoing finance director Steve Peace told the *Los Angeles Times* that the bonds aren't in jeopardy. "This budget is actually in good shape."

Davis revolt. In the closing weeks of California's recall election, Gov. Gray Davis signed a series of controversial measures that his opponents characterized as cynical attempts to shore up his Democratic base. Now, the same forces that brought the state the recall election are trying to overturn some of Davis' last work via the initiative and referendum process. Recall forces are targeting: the new law that gives registered domestic partners many of the same rights as married couples; the vehicle license fee, or "car tax"; legislation that grants illegal aliens the right to get California driver's licenses; and the bill Davis signed to require businesses to pay for workers' health care costs or pay into a state fund for health coverage. Opponents of the new laws hope to get the initiatives on the ballot for March 2004.

California's brave new world

Fresh from his victory in October's recall election, Governor-elect Arnold Schwarzenegger appeared with President Bush in San Bernardino, CA. Schwarzenegger said during the campaign that a major part of his plan to fix the budget was to hit up the federal government for money it owes California. After the meeting, Schwarzenegger indicated that Bush was receptive to the plan.

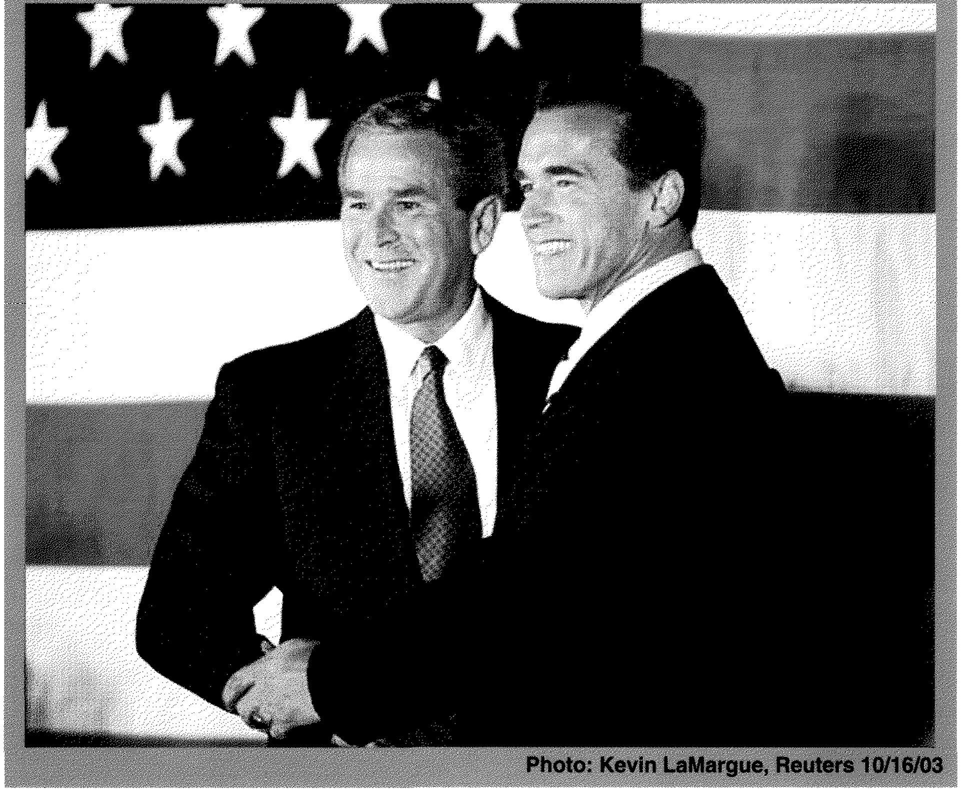


Photo: Kevin LaMargue, Reuters 10/16/03

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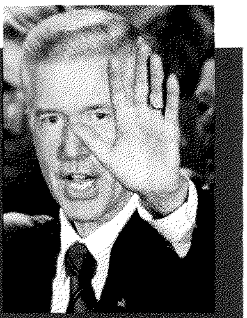


Advice:

The Gray Davis comedy special

And who says Gray Davis doesn't care. Three days after being booted unceremoniously from the governor's office, Davis appeared on "Late Show with David Letterman," to give his "Top Ten Pieces Of Advice For Arnold [Schwarzenegger]:"

10. "When you realize you don't know what you're doing, give me a call."

9. "Body-building oil will stain the mansion's Italian silk sofa."

8. "Listen to your constituents — except Michael Jackson."

7. Sorry, joke No. 7 was recalled.

6. "To improve your approval rating, go on Leno; when you get kicked out, go on Letterman."

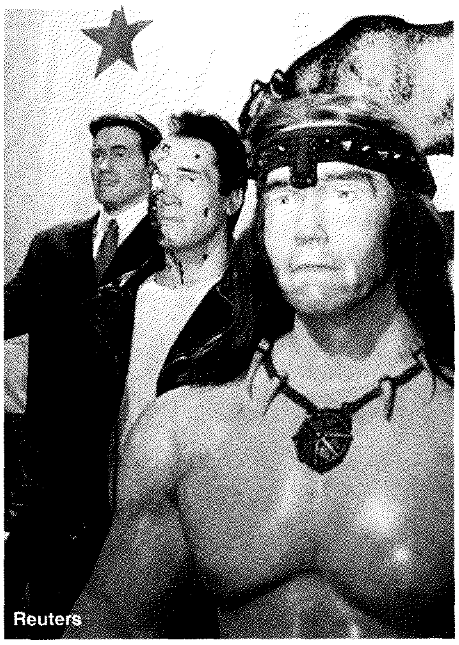
5. "Study the master — George W. Bush. Ah, I'm just kidding."

4. "You could solve the deficit problem by donating your salary from 'Terminator 3.'"

3. "If things are bad, just yell, 'Save us, Superman!'"

2. "While giving a speech, never say, 'Santa Cruz, Santa Barbara ... same thing.'"

1."It's pronounced 'California.'"



Reuters

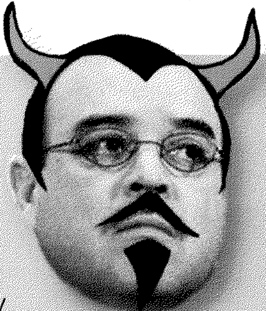
Icon:

Waxing political with the new gov

Maybe the Hollywood Wax Museum knew something before the rest of us. Even before the recall election was settled, the museum put together a likeness of "Schwarzenegger the Governor" for a display it called, "The Evolution of Arnold." The new statue joins the museum's other two Schwarzenegger dummies: Arnold as the Terminator and Arnold as Conan the Barbarian. Tom McClintock, top that!

Hijinks:

While the cat's away



Arnold Schwarzenegger is a busy man. And as an actor and a businessman, the new governor travels a lot. Once he takes office, however, Schwarzenegger may have to rethink just how much he leaves the state, if Lt. Gov. Cruz Bustamante's election night concession speech is any indication. The lieutenant governor, of course, is in charge of the state when the governor is gone. After being trounced by the actor on Election Day, Bustamante told his followers: "Arnold, you're very famous for making movies all over the world. I want you to feel free to continue doing that. Go where you like. Feel free to stay as long as you like. I'll be here, keeping an eye on things." Somewhere, former Republican Lt. Gov. Mike Curb — who was known to race back to Sacramento to conduct state business while then Gov. Jerry Brown was out of state — is smiling.

Quotables.....

"He asked me point-blank that Tuesday evening [8/5], 'What are my chances?' I said, '1-in-5, 1-in-6.' He said those are not good odds."

— Richie Ross, 10/18, consultant to Democratic recall candidate, Lt. Gov. Cruz Bustamante

MIXED MESSAGES

America's first celebrity governor in the information age has a powerful bully pulpit. But he's also a big target.

By David Lesher

> **"The world is a stage, the stage is a world of entertainment."**
> ***Lyrics from "That's Entertainment"***

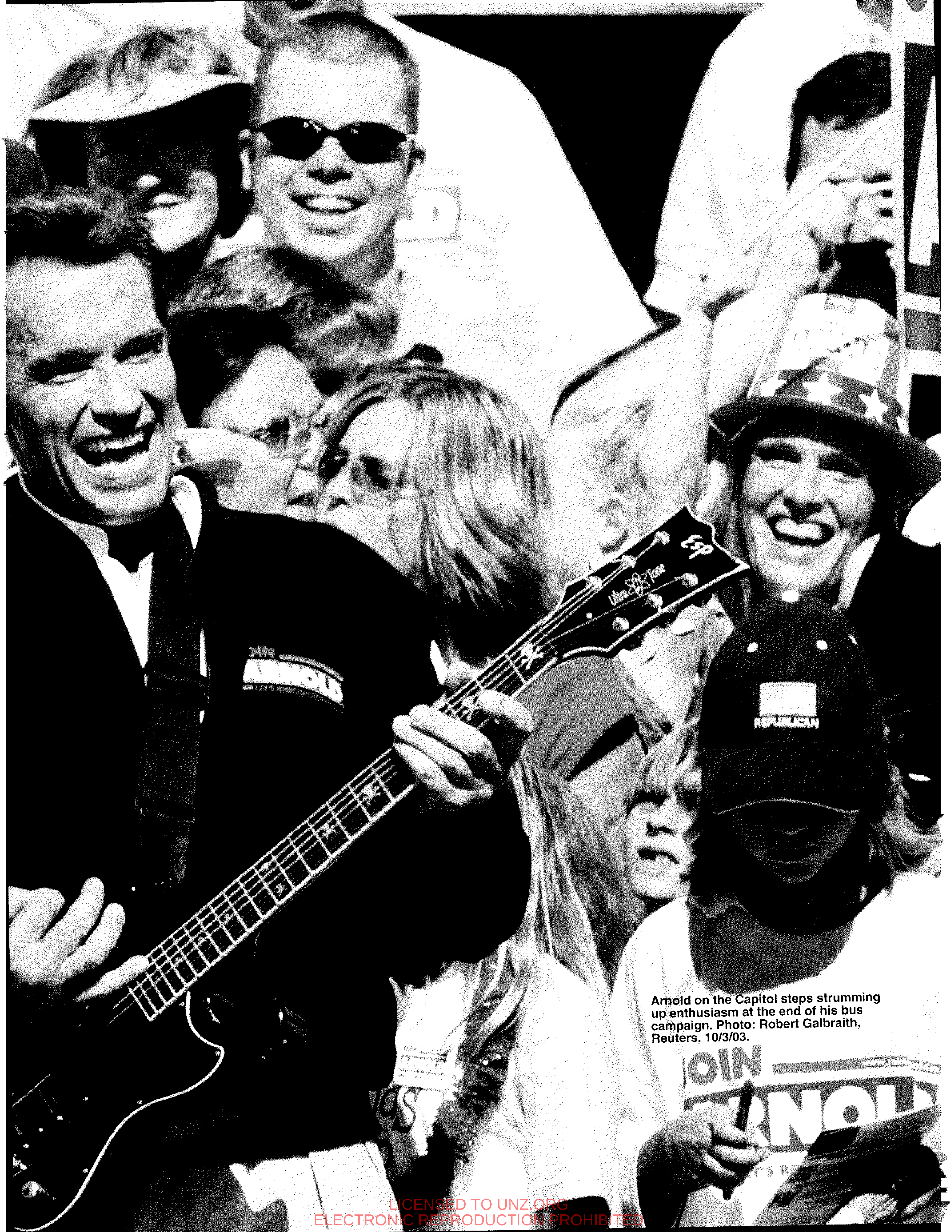
The Modesto rally was over and soon, Predator One would be on its way again. Television reporters, using the empty risers and confetti-littered street as a backdrop, recapped the scene for their cameras and a few "scribblers" — as the newspaper writers are now called — interviewed the last to leave the small-town visit by Arnold Schwarzenegger.

Some reporters were already aboard Predator One, the press bus, gathered in the back as if they were playing a game of dice or cards. They leaned against seat backs, crouched in the aisle and peered over shoulders. At the center of the gaggle was a sort of virtual press conference — a microcasette tape recorder playing the latest sound byte from the candidate surrounded by a circle of more tape recorders making copies. "I will take the issue directly to the people," said the famous robotic voice.

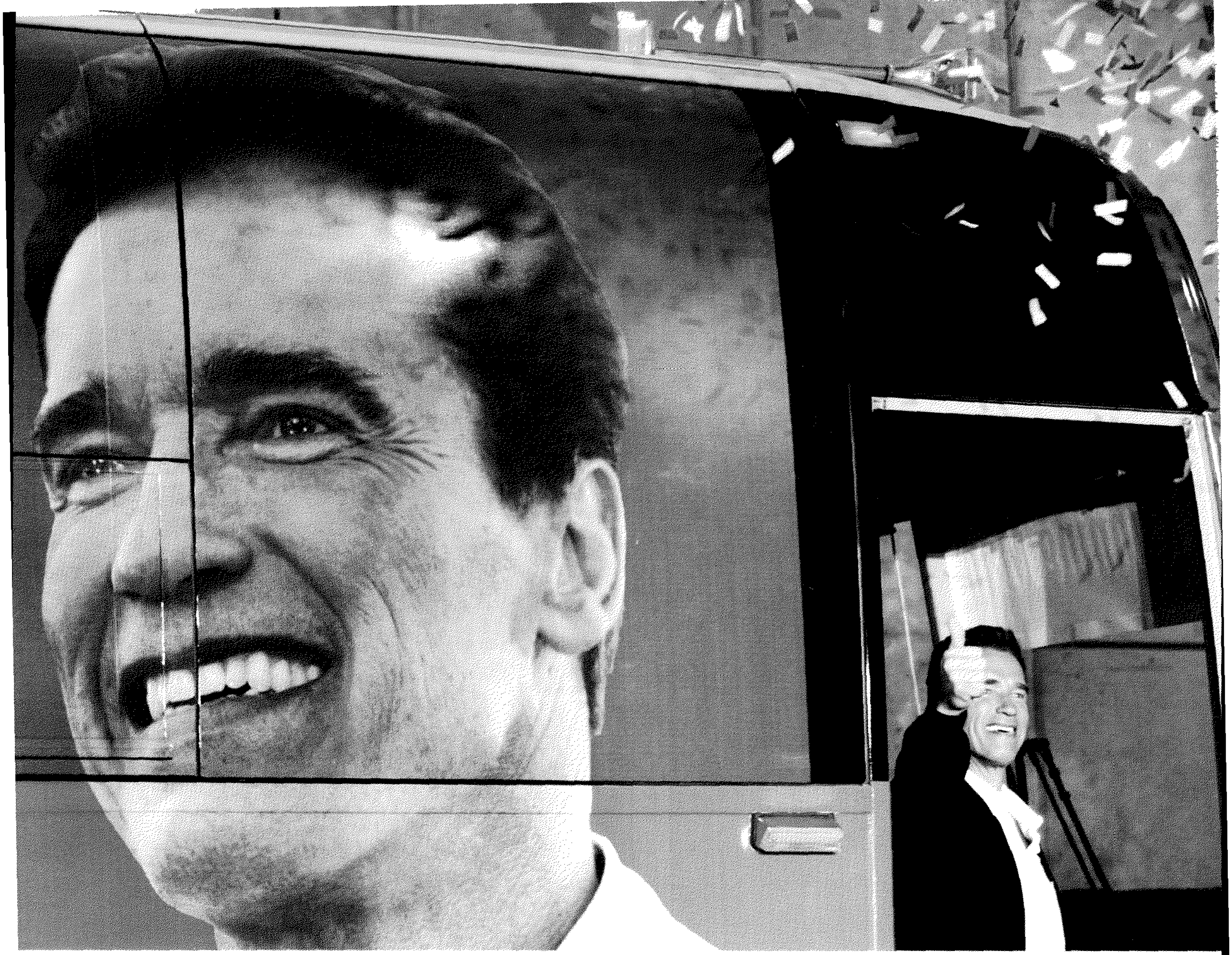
That's about when *Sacramento Bee* columnist Dan Weintraub stepped onto Predator One and announced that a Spanish-speaking woman was talking with a Schwarzenegger staffer about a possible love child. The bus emptied. And for the next 15 minutes, nearly 200 jostling media surrounded the woman with enough technological firepower to send her image around the world within seconds. By the time "Good Morning America" aired, she could be more famous than Governor Gray Davis.

These may be the scenes we'll have to get used to now that we've chosen a Hollywood mega-star to be governor. California has done far more than change its executive. It's changed the rules.

No other politician in America, except the president of the United States, has a bigger bully pulpit. Even in a nation-state like California, governors once


ESP
Ultra Tone
JOIN ARNOLD
REPUBLICAN
JOIN
RNOL

Arnold on the Capitol steps strumming up enthusiasm at the end of his bus campaign. Photo: Robert Galbraith, Reuters, 10/3/03.



Arnold's "Running Man" bus. Photo: Robert Galbraith, Reuters, 10/2/03.

held press conferences in Los Angeles to try to get a half dozen television cameras to attend. Schwarzenegger can get twice as many to follow him to Modesto. He's also communicating on a new frequency for a politician, reaching millions through Oprah, Leno, Larry King and "Entertainment Tonight."

But as the scene in Modesto demonstrates, media control is an oxymoron, even for a ratings phenomenon like Schwarzenegger. His four-day, 500-mile bus trip during the last week of California's historic recall campaign was a good example of the controlled message and the out-of-control message that struggled simultaneously for attention.

The trip from San Diego to Sacramento was a masterful production with cinema-quality scenes of patriotism and populism — small-town locations, friendly, sign-waving crowds, flurries of confetti and always, a signature thumbs up from the candidate. Meanwhile, reporters focused on the late-breaking story about several women accusing Schwarzenegger of offensive and boorish behavior. Only a small pool of reporters got close enough for any questions. "In a rare interview, Schwarzenegger, who is avoiding reporters, blamed Gray Davis for the negative stories," a reporter dictated from the bus.

Republican strategists acknowledged in a post-mortem seminar at University of California, Berkeley that insulating the candidate was part of their strategy. "There was a concious decision that we were going to play to the people, not the press," said media consultant Don Sipple. "It's well known that in most campaigns, the press wags the dog. [This] was in keeping with the unconventional nature of this campaign."

As the traveling press corps gathered early Saturday morning in the parking lot of the Fresno Holiday Inn, reporters sounded anxious, even desperate, for a new story hook. It was the third day of the bus tour and Schwarzenegger's choreographed events and nine-minute speeches were nearly identical at each stop. It was also 48 hours since the *Los Angeles*

WELCOME TO
BRENDEN MODESTO 18
NOW PLAYING
TOTAL RECALL
VOTE OCT 7

At a stop in Modesto, a movie marquee advertises the recall election. Photo: Robert Galbraith, Reuters,10/2/03.

Times broke the story of the women's groping accusations. A new *LA Times* story on Saturday added names to the list of accusers, but reporters had been interviewing the Schwarzenegger crowds for two days and finding little impact from the revelations.

A local television reporter confessed that his search for news had come to this: He interviewed an entertainment reporter about the media coverage only to have the entertainment reporter turn around and interview him. As the four press buses pulled out of the parking lot, the outlook grew more bleak when the *New York Post* writer hung up his cell phone and announced the famous tiger attack in Las Vegas. "Roy's been mauled; I'm off the front page," he said.

Back at Schwarzenegger headquarters in Santa Monica, a sudden fear was going through the campaign. On Thursday and Friday, campaign manager George Gorton said the daily tracking polls didn't show a negative impact from the groping stories even though 94 percent of voters said they were aware of the charges. "I've never seen 94 percent aware of anything," Gorton said. The news was so good that Gorton declared victory to his colleagues. "Then, on Saturday, it plunged," he said. It was "enough to make me worry."

The tremors were also picked up in the Davis camp where consultant Garry South said the Democratic polling on whether voters would recall the governor briefly narrowed to a tie.

By the time the press buses arrived at a fruit and nut farm in Clovis for Schwarzenegger's first rally of the day, the campaign had decided to take the gloves off. Spokesman Rob Stutzman was swarmed by a quickly expanding crowd of reporters that grew to more than 100. Five cameramen stood on ladders to get a shot from above. A half dozen boom mikes were lowered into the center of the crowd.

"This is unprecedented, gutter, last-minute, 'gotcha' journalism by the largest newspaper in this state," said Stutzman. "They're unfit to own a printing press, and we're not going to take it."

The campaign's controlled message featured Maria Shriver on stage with her husband for the first time in the campaign. "I want to introduce you to the man I love," she told the crowd as Schwarzenegger stepped onto the stage with a thumbs up and a welcoming kiss for his wife. A banner behind the stage said: "Remarkable women join Arnold."

"When I take over this office, the special interests are going to go crazy because they know I am here to kick some serious butt," Schwarzenegger said, punching his fist in the air. By now, on day three, reporters mouthed the words in sync and a betting pool was started on how many times he would say: "Let me tell you something." The winning number was six.

"Let me tell you something," the candidate said. "When they start trying to push me around, I will push back."

There wasn't a single mention of a farm or water issue in the speech, underscoring once again the uncon-

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ventional nature of this campaign. California's Central Valley, the most productive agricultural land in America, is also one of the state's most politically sensitive battlegrounds. Democrat Kathleen Brown got headlines here when she stumbled on a difficult water issue in Tulare while running for governor in 1994.

The swing nature of Central Valley voters has also drawn a lot of campaign bus trips to the area, but none like this. Often, the candidate, staff and press can squeeze onto a single vehicle. Schwarzenegger's tour stretched for blocks. There were six official buses run by the campaign, each named for one of the actor's movies — Running Man, ferrying the candidate; Total Recall, for VIP guests, and four press buses dubbed Predator One, Two, Three and Four. Behind that, there were television satellite trucks followed by cars and vans for staff, reporters and police. In the rear, were two more buses carrying some of the 134 other gubernatorial candidates who figured — correctly — that they'd benefit from proximity to an underfed and hungry press corps.

The tour's architect, Mike Murphy, was also responsible for John McCain's Straight Talk Express in the 2000 presidential campaign and for Lamar Alexander's signature plaid shirt in the 1996 White House race. This trip was much different, though. On the Straight Talk Express, McCain spent so much time with reporters that they told him to go away so they could write their stories. He picked up cell phones to talk with their husbands, parents and girlfriends. Likewise, Alexander's shirt was a symbol of the common man.

This time, Schwarzenegger never got within 50 yards of most reporters. And he never spent a night on the road, leaving the bus tour after each day to fly back to his Pacific Palisades estate on a private jet. He completely missed the lubricated dinner where a reporter shoved a microphone in front of Congressman Darrell Issa and asked, "Is Gray Davis gay?"

The Schwarzenegger caravan arrived shortly after 2 p.m. in Modesto, where the rally was organized near an old movie theater where the marquee announced, "Now Showing: Total Recall. Vote Oct. 7." A local radio talk show host warmed up the crowd. "Welcome the media to Modesto," he said as reporters filed into the press risers. "We haven't seen you since the last trial for Scott Peterson," the local accused murderer.

Except for the presence of ABC News anchor Peter Jennings, the Modesto rally was a familiar event until Weintraub's announcement. Reporters hardly knew anything about the woman, other than the fact that she had asked to talk with Schwarzenegger about a personal issue. This could be the biggest story of the campaign or it could be nothing.

Stutzman escorted the woman through downtown Modesto followed by a mob of cameras and reporters that stopped traffic, knocked over sidewalk furniture and nearly flattened an elderly woman. "The lady in red," as she was called, got in a white Ford Escort and drove away while reporters scribbled the license plate number. In a street corner press conference, Stutzman said simply, "She was seeking to have a conversation with Arnold Schwarzenegger. I've talked to her. She has not made any type of accusation or charge." But when Predator One pulled out, Stutzman was no longer on board.

That evening, with little more to go on, a Los Angeles television station broadcast the story about the mysterious lady in red. Afterward, when Stutzman appeared at a press filing center in the Pleasanton Fairgrounds, he was back on the attack against the media.

"Here's my question," he said. "Does anybody who shows up get to go on the air? This is just outrageous. I ask for discretion from the media. Please, use good judgment. They could be people who want money. They could be people who are unstable. They could be people who have a political ax to grind. What we need here is some responsible behavior from the press."

There were several questions about Schwarzenegger's response to the news and then a question from a French television station: "So, there's no children?"

David Lesher is the editor of the California Journal. *Send comments to* **comments@californiajournal.com**

On the steps of the Capitol ready to clean up. Photo: Blake Sell, Reuters, 10/3/03.

thank you for your pro-choice leadership

This year, the California Legislature passed a package of measures relating to reproductive health care, family planning and comprehensive sex education that enhance Californians' ability to make responsible choices — choices that promote the health and well-being of an individual, a family, a community and our society.

Planned Parenthood thanks the following legislators for their unwavering, 100% commitment to reproductive choice and family planning during the 2003 legislative session:

state senate

- Richard Alarcon
- Dede Alpert
- Debra Bowen
- John Burton
- Gil Cedillo
- Wesley Chesbro
- Denise Moreno Ducheny
- Joseph Dunn
- Martha Escutia
- Liz Figueroa
- Dean Florez
- Betty Karnette
- Shelia Kuehl
- Mike Machado
- Kevin Murray
- Deborah Ortiz
- Don Perata
- Gloria Romero
- Byron Sher
- Jackie Speier
- Tom Torlakson
- John Vasconcellos
- Edward Vincent

state assembly

- Patty Berg
- Rudy Bermudez
- Ronald Calderon
- Joe Canciamilla
- Wilma Chan
- Edward Chavez
- Judy Chu
- Rebecca Cohn
- Ellen Corbett
- Manny Diaz
- John Dutra
- Mervyn Dymally
- Marco Firebaugh
- Dario Frommer
- Jackie Goldberg
- Loni Hancock
- Jerome Horton
- Hannah-Beth Jackson
- Christine Kehoe
- Paul Koretz
- John Laird
- Mark Leno
- Lloyd Levine
- Sally Lieber
- Carol Liu
- John Longville
- Alan Lowenthal
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- Simon Salinas
- Joe Simitian
- Darrell Steinberg
- Juan Vargas
- Herb Wesson
- Patricia Wiggins
- Lois Wolk
- Leland Yee

Thanks, Governor Davis! Without the pro-choice leadership of Governor Gray Davis, none of the gains we've made in reducing teen pregnancy, protecting reproductive rights and increasing access to family planning would have been possible. Planned Parenthood thanks Governor Davis for solidifying California's status as the most pro-choice, pro-family planning and pro-women state in the country. Gov. Davis' legacy as a tireless advocate for reproductive health care and family planning will be felt for decades to come.

PPAC

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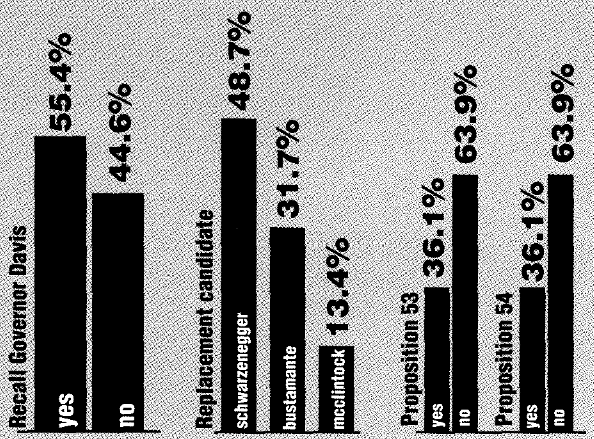
Providing responsible choices through advocacy and political action.

2003
california
REcall

CALIFORNIA voters in 2003's historic recall election were not subtle. Not only did the reject Democratic Governor Gray Davis by a wide margin (10 percent), as a replacement they chose Republican Arnold Schwarzenegger by a lopsided margin over Democratic Lieutenant Governor Cruz Bustamante — 48.7 percent to 31.7 percent. Along with carrying away bushels of Republican votes, Schwarzenegger made gains among Democrats and independents as well. And if you add state Senator Tom McClintock's vote total (13.4 percent) to Schwarzenegger's, it shows Republicans got more than a whopping 60 percent of the replacement vote.

The results

Californians not only rejected Davis in the October vote, they also voted against the two propositions on the ballot — 53 and 54 — by wide margins.

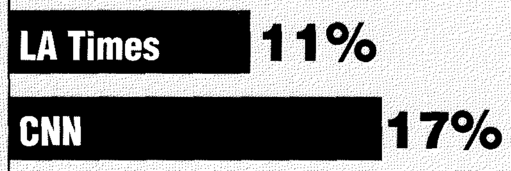


Californians make

Photo:Reuters

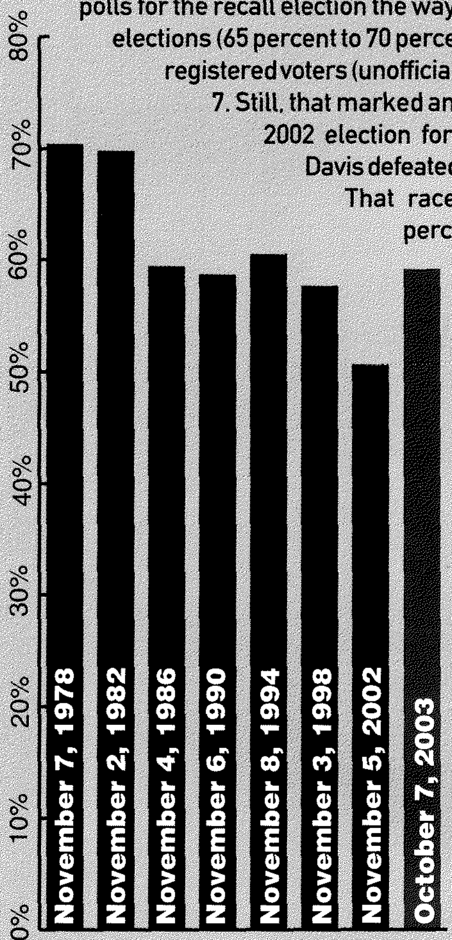
The Latino vote

The two major exit polls — by CNN and the *Los Angeles Times* — were widely different when it came to showing how many Latinos voted in the recall election. The polls do show that Latinos were mixed — most who voted offered their support to Bustamante, but about 30 percent voted for Schwarzenegger.



Gubernatorial turnout

While experts predicted that Californians would flock to the polls for the recall election the way they do in presidential elections (65 percent to 70 percent), about 59 percent of registered voters (unofficial) showed up on October 7. Still, that marked an improvement over the 2002 election for governor, when Gray Davis defeated Republican Bill Simon. That race only drew about 50 percent of registered voters to the polls. Elections of governors (in non-presidential years) have typically turned out about 60 percent of registered voters in California.



Sources: California Secretary of State, Los Angeles Times and CNN

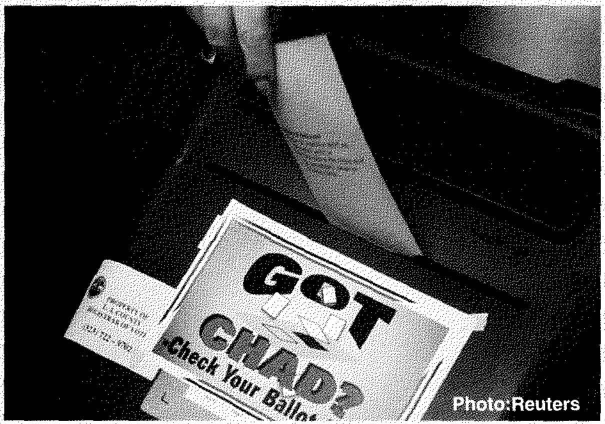


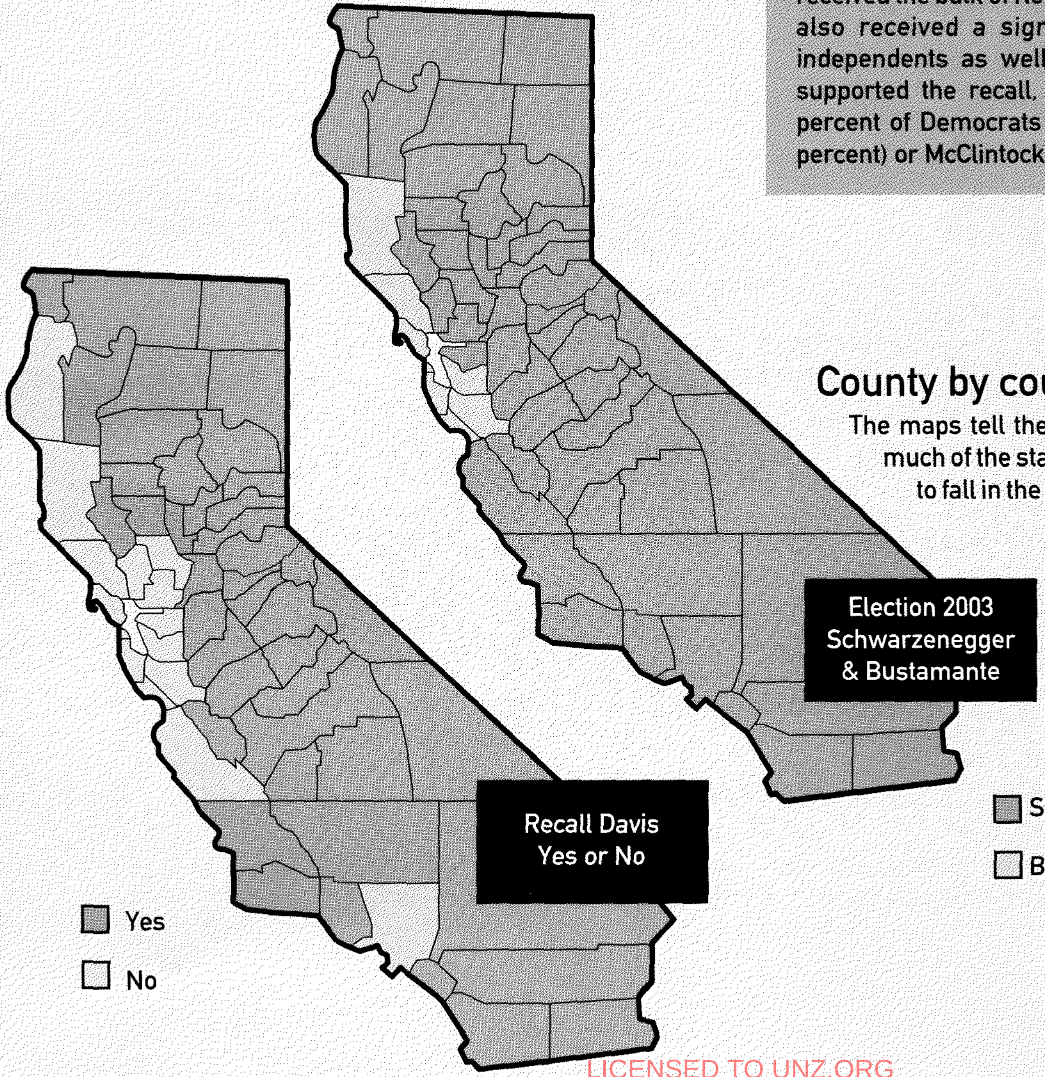
Photo:Reuters

their choices

	Recall yes	Recall no	Replacement candidates Schwarzenegger	Replacement candidates Bustamante	Replacement candidates McClintock
Registered Democrats	25	75	23	61	8
Registered Independents	54	46	46	26	16
Registered Republicans	89	11	76	4	18
Whites	59	41	53	27	14
Blacks	21	79	18	65	8
Latinos	45	55	31	55	10
Asians	47	53	45	34	15
Men	59	41	52	29	12
Women	51	49	44	35	15
Age 18-29	54	46	44	35	13
Age 30-44	55	45	49	31	11
Age 45-64	56	44	49	31	14
Age 65 and older	53	47	47	34	15
Los Angeles County	51	49	46	36	11
Orange County	70	30	63	21	12
Rest of Southern California	68	32	59	23	14
Bay Area	34	66	31	49	10
Rest of Northern California	56	44	48	29	16
In Nov. 2002 voted for:					
Gray Davis (D)	21	79	21	63	8
Bill Simon (R)	93	7	78	2	19
Peter Camejo (Green)	30	70	14	44	7

LA Times Exit poll

The Times poll showed that Arnold Schwarzenegger not only received the bulk of Republican votes in the recall election, he also received a significant number of Democrats and independents as well. Twenty-five percent of Democrats supported the recall, according to the polls, and over 30 percent of Democrats voted for either Schwarzenegger (23 percent) or McClintock (8 percent).



▨ Schwarzenegger

☐ Bustamante

County by county

The maps tell the story. The "yes on recall" forces swept much of the state on Election Day. Rural counties tended to fall in the "yes" camp, while much of the coast went to Gray Davis' "no" camp. Davis lost three counties that voted for him in the 2002 election — Imperial, San Benito and Lake. Meanwhile, Schwarzenegger won all but eight of California's 58 counties.

California voters take charge

California's latest experiment with direct democracy is over. The ballots cast on the October 7 recall election led to a crushing loss for Governor Gray Davis and a decisive victory for Arnold Schwarzenegger. Now, it's time to hear the voters' views on this election and the recall process itself, and to learn whether they perceive this unique event as a great leap forward or a giant step backward for the state's electoral future.

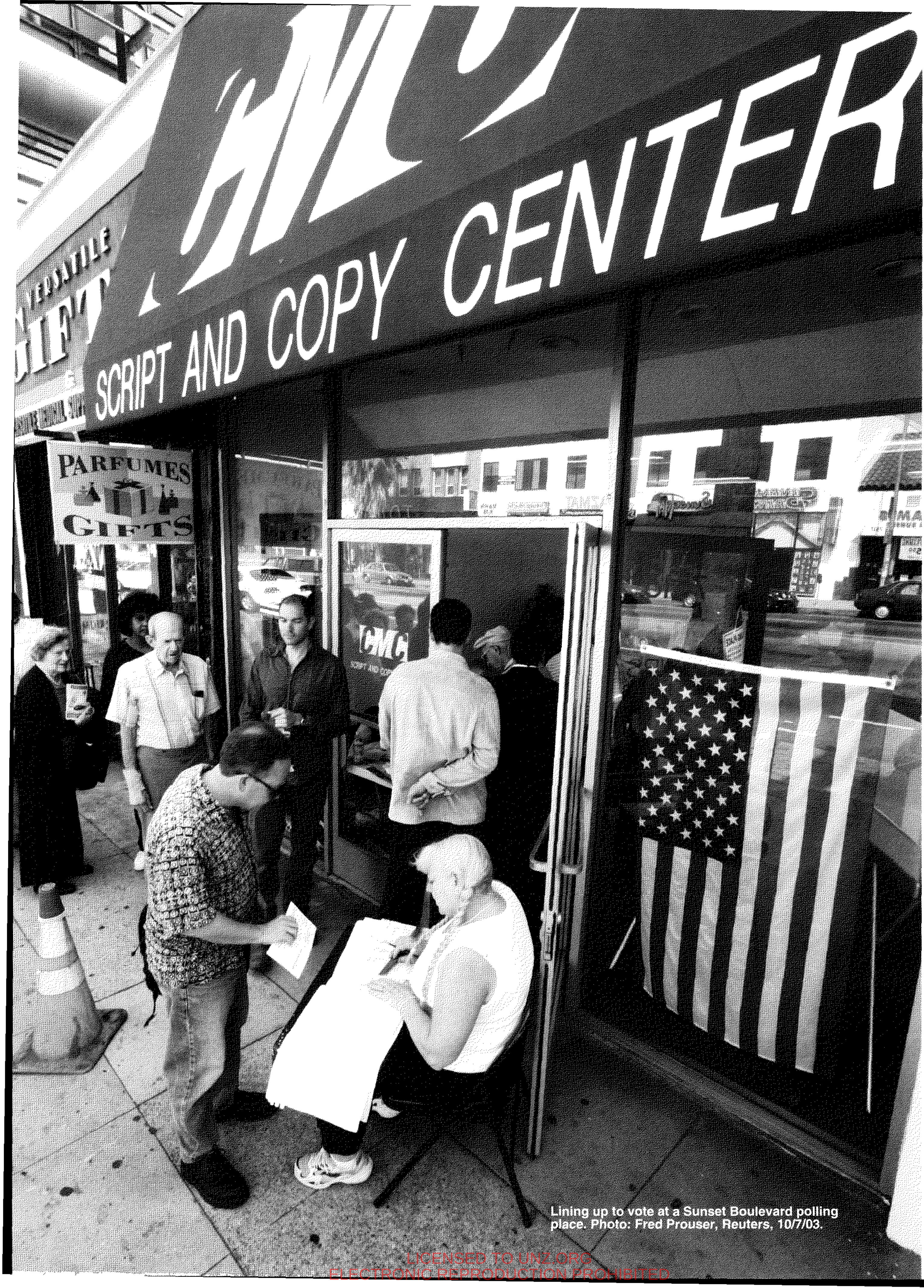
Californians must have reached the true depths of their political despair when they found solace and comfort in a little-used 92-year-old provision in their state constitution that would allow them to remove an unpopular governor from office. They certainly didn't know much about the workings of this old law, as it had never before made it to a statewide election. What have they learned since then? A *PPIC Statewide Survey* conducted in the week leading up to the special election with funding from the Institute of Governmental Studies and the Pew Charitable Trusts offers these new insights: Voters clearly like the newfound power that they have to remove a public official from office, but they found the recent campaign short of their expectations. And they think that fundamental changes are needed in the election process in light of what they now know about how California's recall works.

The recall election is over, but a new Public Policy Institute of California survey indicates that while Californians are turned off by the recall campaign, they like their newfound power to remove an unpopular governor.

By Mark Baldassare, Bruce Cain and Jonathan Cohen

As we look back at this historical moment, it is important to keep in mind that voters turned to the recall because they had given up all reasonable hope in their elected representatives in Sacramento, and not because they had a deep sense of understanding or an appreciation for the state's complicated recall provision. Californians had been telling pollsters throughout the year that their state was headed in the wrong direction, and that its fiscal woes were mounting. Three in four voters said that they were unhappy with the job performance of Davis and the state Legislature, and only one in four said they trust their state government always or most of the time to do what is right. In this context, it is not surprising that recall supporters easily gathered more than 1 million signatures last summer to trigger the recall election. The voters' sour mood was also on display in exit polls, and explains the election results. This episode was all about voter anger at their elected officials, rather than an endorsement of the recall process itself.

One of the remarkable features of the recent recall is the amount of public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Lining up to vote at a Sunset Boulevard polling place. Photo: Fred Prouser, Reuters, 10/7/03.

interest in this election. Our surveys found that nine in 10 likely voters were very or fairly closely following the news about the recall, an upturn from the 2002 general election, thanks in large part to the deluge of media coverage. The news about the recall flowed daily from a variety of sources—local, cable and network television; local and national newspapers; radio stations; and Web sites on the Internet. Yet few voters saw the October 7 special election as a high-water mark for the state's political campaigns.

In fact, nearly half of voters said the recall election made them feel worse about California politics, while only one in five said it made them feel better, and three in 10 said the recall election did nothing to change their views about California politics. At the end of the election, most voters still believed that campaigns have gotten worse in the past 10 years, and very few thought that campaigns are better today than they used to be.

Why such negative views about an election that the voters brought on themselves? Six in 10 voters told us that they were dissatisfied with the amount of attention that the candidates paid to the issues most important to them. Specifically, the voters wanted to hear much more from Davis and the 135 would-be governors about their proposals for fixing the economy, reducing the state budget deficit and improving schools. Most voters saw the recall as yet another example of an election lacking in substance.

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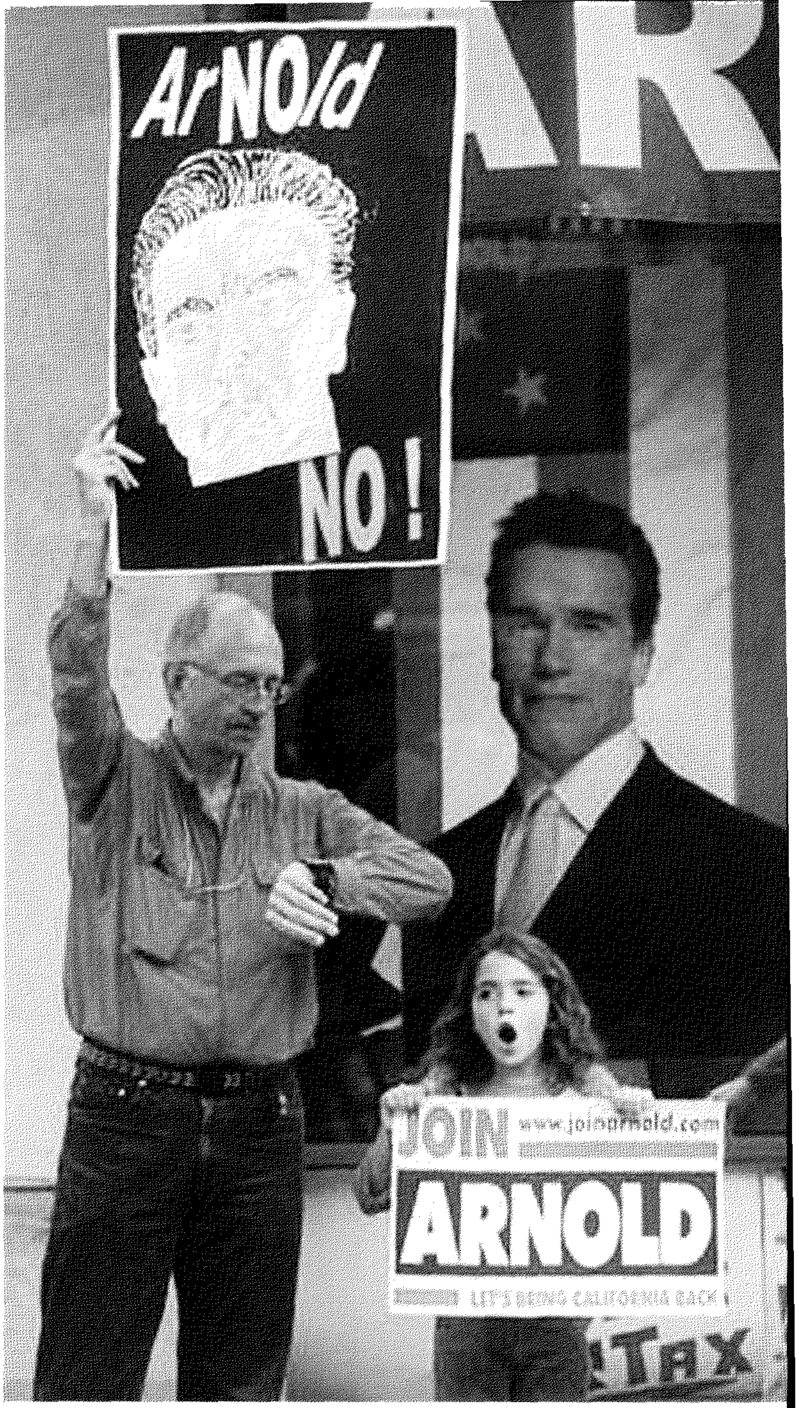

Carrying signs outside Arnold Schwarzenegger's Santa Monica campaign headquarters. Photo: Jim Ruymen, Reuters, 10/6/03.

The paid commercials and the televised debates failed to impress the state's voters in a positive way. While nine in 10 voters saw the television advertisements by the candidates, fewer than one in 10 said these were very helpful in deciding how to vote in the special election. Moreover, although nine in 10 voters had seen, heard or read about the public debates about the recall election, just two in 10 voters said the candidates at these events provided information that was very helpful in deciding how to vote. In the end, voters' reactions to the 2003 recall election were remarkably similar to the negative feelings they had about the 2002 gubernatorial election between Davis and Republican Bill Simon.

But the October 7 special election was more than a

By the last week of the campaign, voters were evenly split — and deeply divided along partisan lines — as to whether this current effort to recall the governor was an appropriate use of the constitutional recall process.

campaign. It was an ongoing civics lesson on the workings of state government. It was also a chance for voters to learn about a powerful recall provision that had lain dormant for almost a century. By the final week of the campaign, when we asked Californians about the recall process itself, about eight in 10 voters felt that they had become fairly knowledgeable about how the recall worked. Many were discouraged with what they had seen in its modern-day execution.

In all of our polling throughout the election, eight in 10 Californians told us that they think it is a "good thing" that the state constitution provides a way to recall the state's elected officials, such as the governor. However, by the last week of the campaign, voters were evenly split — and deeply divided along partisan lines — as to whether this current effort to recall the governor was an appropriate use of the constitutional recall process. Moreover, six in 10 voters said that the recall process itself was in need of changes as a result of a multitude of problems they observed in the course of the election.

For starters, many voters believe that it is too easy for a recall measure to qualify for an election. Six in 10 would like to see the law changed so that elected officials can only be recalled for unethical behavior or illegal activity— which would more closely follow this Progressive Era law's original intent to combat scandals and corruption in state government. Six in 10 voters would also like to see an increase in the number of signatures required for a recall to qualify — raising the bar from 12 percent to 25 percent of the votes in the most recent election for that office — given the ease at which millionaires and special interest group money can mobilize an army of paid signature gatherers today.

The process of choosing the replacement candidates to appear on the recall ballot is one that many Californians found even more troubling. While the national media had a field day with the presence of porn stars, models, comedians and former child actors on the crowded ballot, two in three voters described the presence of 135 candidates on the replacement ballot as a "bad thing" in this election. Indeed, the voters were so distressed about this aspect of the recall provision that seven in 10 Californians want to raise the signature requirement for a replacement candidate to appear on the ballot from 10,000 to 25,000 names, and almost half want to change the filing fee from $3,500 to $10,000.

While many voters thought there were too many names on the ballot, others complained about one person that was conspicuously absent — Davis. Indeed, the vast majority of voters who said they would vote to keep the governor also said they would have voted for Davis had his name been on the ballot. As a result, a sizable number of the "no on recall" voters — largely Democrats and perhaps also some Davis voters in past elections — told us up to Election Day told that they would vote for no one, or write in Davis in protest, or they remained undecided. As in the 2002 governor's race, many voters went to the polls saying they were disappointed with the choices that were available in this election — only this time they stared at a list of 135 candidates. In fact, only one in three voters who

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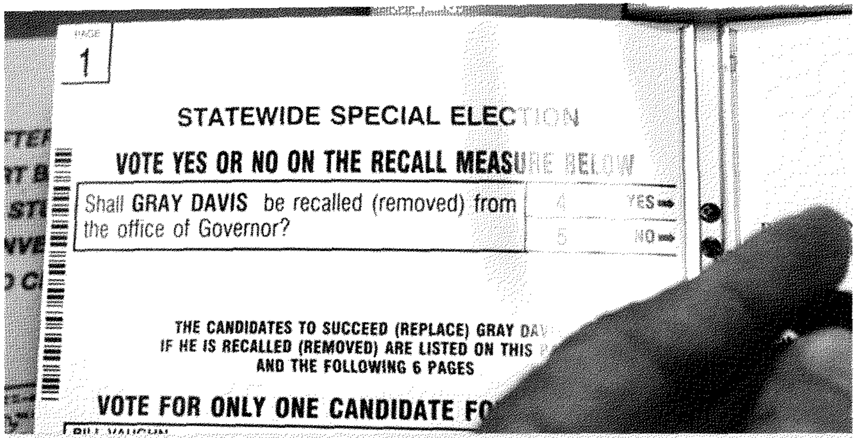
opposed the recall said they were satisfied with the choices that were available to them on the replacement ballot.

In a recall election, the legitimacy of the winning replacement candidate can be called into question if the number of votes for keeping the current officeholder is higher than the proportion supporting the leading candidate on the replacement ballot. In this election, the Schwarzenegger vote was not much larger than the "Keep Davis" vote. In pre-election polling, the possibility of this kind of a mixed outcome seemed to bother many voters, whether they supported keeping Davis or favored having a new governor. For this reason, six in 10 voters believe that the recall process should include a runoff election if no replacement candidate receives more than 50 percent of the vote, allowing the new governor to claim that he or she represents the will of the majority of the voters.

Will these nagging questions about the recall process stop its use in the future? Probably not, since only one in four voters said they would be less likely to support a future recall as a result of this election. Instead, the voters now see the recall as they have long viewed its relative — the citizens' initiative — as a flawed political tool that is needed to weaken the influence of elected representatives who are beholden to special interests.

The governor's recall on October 7 might generate a wave of copycat recall efforts for years to come, mirroring the 25-year history of the citizens' initiative after the passage of the Proposition 13 tax limits. As the new governor seeks to restore confidence in state government, a bipartisan effort to improve the conduct of political campaigns and the recall process should join the list of top priorities. The political reforms that follow on the heels of this special election may be as important as the results of the election itself.

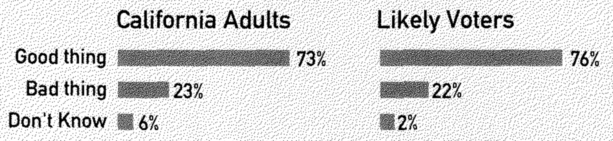
Mark Baldassare is research director and survey director and Jonathan Cohen is survey research manager at the Public Policy Institute of California in San Francisco. Bruce Cain is professor and director of the Institute of Governmental Studies at U.C. Berkeley. Renatta DeFever and Eliana Kaimowitz contributed to the research for this article. Send comments to **comments@californiajournal.com**



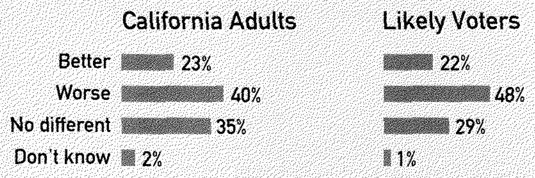
PAGE
1
STATEWIDE SPECIAL ELECTION
VOTE YES OR NO ON THE RECALL MEASURE BELOW
Shall GRAY DAVIS be recalled (removed) from the office of Governor?
4 YES
5 NO
THE CANDIDATES TO SUCCEED (REPLACE) GRAY DA
IF HE IS RECALLED (REMOVED) ARE LISTED ON THIS
AND THE FOLLOWING 6 PAGES
VOTE FOR ONLY ONE CANDIDATE FO

What are we thinking?

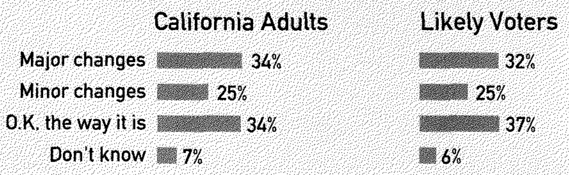
"Generally speaking, do you think it is a good thing or a bad thing that the California constitution provides a way to recall the state's elected officials, such as the governor?"



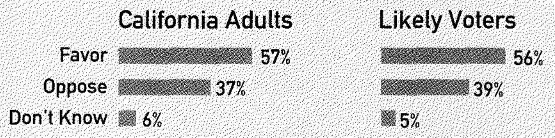
"Has the recall election made you feel better, worse or no different about California politics?"



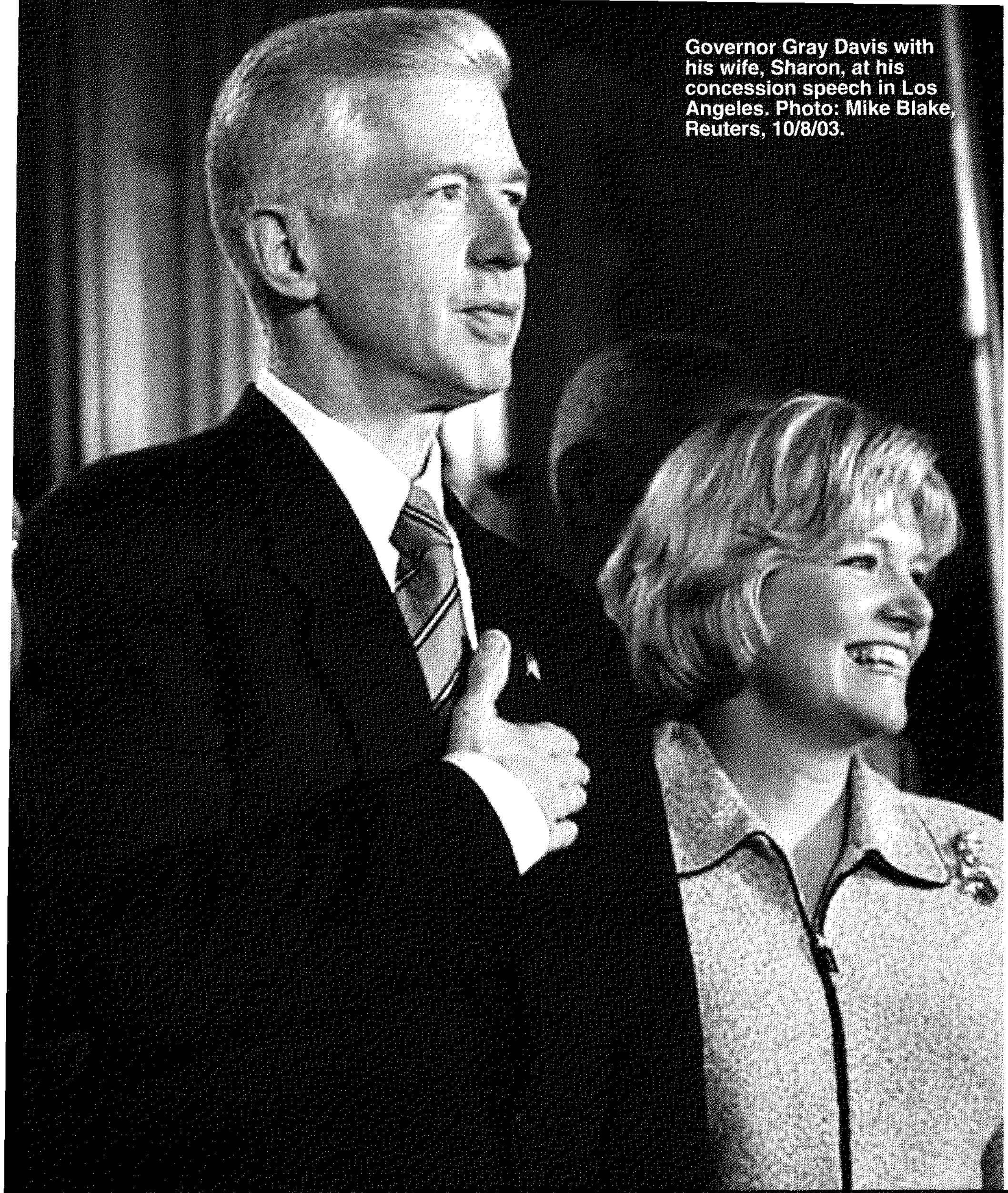
"Generally speaking, do you think the recall process in California needs major changes, minor changes, or is it basically OK the way it is?"



"Currently, to qualify a recall for a statewide ballot, recall proponents need to gather enough signatures from registered voters to equal 12 percent of the total votes cast in the previous election for that office. For the October 7 recall, this number was about 900,000 signatures. Would you support or oppose raising this requirement to 25 percent of the total votes?"



Source: PPIC Statewide Survey directed by Mark Baldassare with funding from the Institute of Governmental Studies and the Pew Charitable Trusts. The survey of 2,002 California adults was conducted from September 30 to October 6, 2003 and has an error margin of +/- 2% for all adults and +/- 3 percent for likely voters.



Governor Gray Davis with his wife, Sharon, at his concession speech in Los Angeles. Photo: Mike Blake, Reuters, 10/8/03.

DEMOCRATIC DAZE

Gray Davis tried to govern from the center, but in doing so he lost the suburbs, pushed away Democratic allies and, in the end, lost the governorship

By Philip J. Trounstine

Turning and turning in the widening gyre
The falcon cannot hear the falconer;
Things fall apart; the centre cannot hold;
Mere anarchy is loosed upon the world,
The blood-dimmed tide is loosed, and everywhere
The ceremony of innocence is drowned;
The best lack all conviction, while the worst
Are full of passionate intensity
WB Yeats

Shortly after Gray Davis was inaugurated in 1999 and I had left the newspaper business to become his communications director, I was asked by a political reporter whether Davis was worried about the fact that Arnold Schwarzenegger was "thinking about" running for governor.

"That's fine," I replied cleverly, "Davis is thinking about starring in 'Terminator 3.'"

Oops.

What neither I nor anyone else could foresee was that the man I had once referred to in print as "perhaps the best prepared governor-in-waiting that California has ever

The 2002 election proved that a Democrat can carry California without a sweep of the suburbs. But just barely. The recall reminded us that the powerful force that swings elections is the moderate suburban vote.

produced" would be so ill-prepared for a face-off with Schwarzenegger four years later.

But by the time Schwarzenegger was done thinking about running for governor, Davis had lost the ability to hold the center — California's suburban swing voters.

Despite an extraordinary record of accomplishment — tough gun control, the eight-hour work day, expanded Cal Grants, improved relations with Mexico, paid family medical leave, higher student test scores, accountability for schools, increased rights for gays and lesbians, vastly more children with health care and much more — Davis never gave the crucial suburban voters reason enough to vote "no" on the recall.

Which is why he lost his job.

Things fell apart for Davis because there was no conviction, no passionate intensity, among the very voters who — for the most part — determine California elections.

Of course his failure to run well enough in Los Angeles — where Schwarzenegger was a local favorite and the media are dominated by Hollywood — was a key to his loss. LA County voted against the recall by a mere 33,856 votes — a drop of 648,398 votes from Davis' margin of victory when he won the governor's office in 1998. But that's not the biggest story.

California's left wing — Alameda and San Francisco counties — just about balanced out the vote from the right wing — Orange County. When you throw in the margin from Los Angeles to that mix, everything is just about even, with recall ahead by a scant 10,000 votes or so.

But the big swing was in the six counties packed with suburban voters: Contra Costa, Riverside, Sacramento, San Bernardino, San Diego and Santa Clara. In 1998, Davis carried all of those counties against Republican Dan Lungren by a total of 359,804 votes. But in 2003, he *lost* those counties collectively by 514,962 votes — a staggering swing of 874,766 suburban voters.

In fact, Davis had been dead man walking in the suburbs even before the recall — which is one of the reasons he was so susceptible to being ousted. Had it not been for Alameda, San Francisco and Los Angeles counties, Davis would have fallen to neophyte Bill Simon in the 2002 race for governor because he had already lost the suburban swing vote by 26,456 votes.

The 2002 election proved that a Democrat can carry California without a sweep of the suburbs. But just barely. The recall reminded us that the powerful force that swings elections is the moderate suburban vote.

These are the California voters who support abortion rights and the death penalty, sensible gun control and the Second Amendment, banning offshore oil drilling and lowering energy prices, medical care for the needy and smaller tax bills, public school education and firing incompetent teachers, campaign finance reform and privately funded elections, compassion toward immigrants and tough border controls, civil rights and civic responsibility.

The terms "soccer moms" and "NASCAR dads" trivialize these voters. They are more complex — more like Wal-Mart Democrats, NPR Republicans and Berkeley independents. They don't pay much attention to politics, until something threatens their livelihood, their values or their peace of mind.

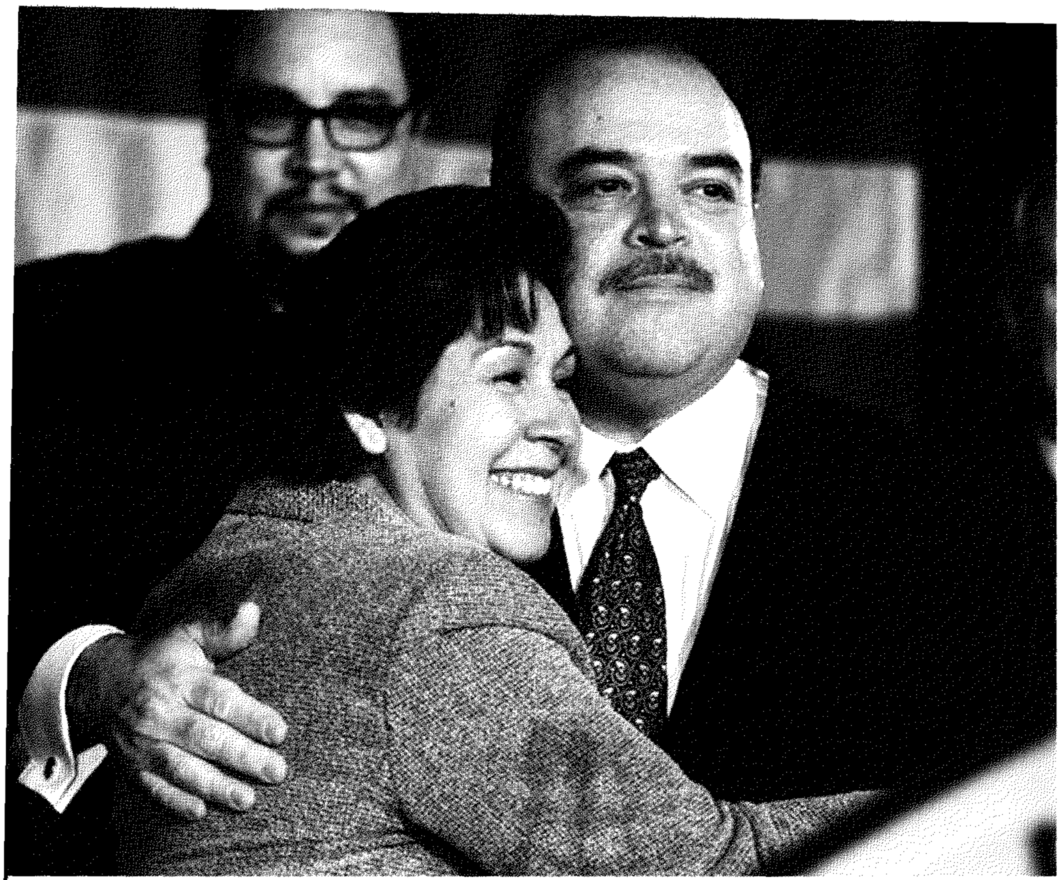
They are the reason California has, for the last few election cycles, come to be seen as a Democratic state. Had the Republican Party consistently nominated moderates — like Pete Wilson — at the top of the ticket, this might not be true. Although most voters generally vote their party, some will cross over — as about a quarter of the Democrats demonstrated in October — when their own party's candidate is too far outside the mainstream or too unlikable (re: Davis) to win broad support.

Let's be clear: The likes of state senators like Democrat John Burton and Republican Tom McClintock — ideological mirror images — are in no danger of losing elections. The mainstreams in their districts are on the far left and right of center. But Burton couldn't win a statewide race, and McClintock has demonstrated that he can't.

For the Republican Party, as long as their candidates align themselves against abortion rights and affirmative action, swallow whole the National Rifle Association's interpretation of the Second Amendment, side with energy and health insurance companies against consumers and patients — in short as long as they define the center of their party to the right of the mainstream, they will not win at the top of the ticket in California.

And if Republican conservatives push Arnold Schwarzenegger too hard from the right, they will only drive him closer to the voters.

It's too early to tell whether the election of Schwarzenegger will signal the opening of the GOP's Big Tent and the beginning of a new era for the party or whether it is the exception that proves the rule. Schwarzenegger could provide a liaison to California voters for President Bush. Or he could, by contrast, prove to be a walking billboard for disapproval of the president's



Lt. Gov. Cruz Bustamante with his wife, Arcelia, conceding defeat in the recall election, Sacramento. Photo: Lou Dematteis, Reuters, 10/7/03.

politics.

Let's remember what Ken Khachigian, the longtime Republican strategist who worked with recall backer Representative Darrell Issa (R-Vista), said weeks ago: "The recall is fundamentally a conservative Republican mainstream movement. ...That's where all the momentum and energy behind the recall comes from."

If that's true, then does Schwarzenegger's victory suggest that the Republican mainstream movement now embraces abortion rights, gay rights, gun control, opposition to offshore oil drilling and untouchable funding for public schools? This doesn't seem likely.

But the success of the recall and Schwarzenegger's victory underscore problems for the Democrats, too. The pressure Latinos, unions and the Legislature's liberal leadership placed on their own party's governor — to support driver's licenses for illegal immigrants, to expand social programs in the face of a staggering loss of tax revenues, to liberalize workmen's compensation, and raise the vehicle license fee — all helped push Davis leftward from the mainstream.

Davis tried to govern from the center. He pledged to "govern neither from the right nor from the left, but from the center, propelled not by ideology, but by common sense that seeks better results for all of us."

"It matters not," Davis said in his first inaugural speech in 1999, "whether an idea comes from a Republican or a Democrat. What matters is whether that idea is right or wrong — and whether it will work. I pledge to you an administration that is at once tough-minded and bighearted. We will restore a sense of decency and compassion to government. And we will reward merit and insist upon accountability."

With "lasting values and a new direction" as his slogan and an economy that was humming, Davis soared to a 60 percent approval rating and held it, for the most part, for more than two years. But instead of keeping his Democratic allies close to him, he pushed them away at almost every turn.

He learned the hard way what a lonely swath of the political landscape the center really is — unless you have the political skills and charisma of a Bill Clinton. Had Davis tended to his base in his first term, had he been able to inspire Democrats while reining in their most liberal impulses, he might still have faced recall from Republicans bent on nullifying his reelection. But he would have had enthusiastic allies and defenders. Instead, by the time the recall initiative qualified for the ballot, he had nearly as many enemies on the left as he did on the right.

Moreover, when Davis and his fellow Democrats failed to respond to the crashing economy and the energy crisis with anything that average folks in the suburbs could regard as either tough-minded or big-hearted, they looked soft-headed and hard-hearted.

Now, up against a Hollywood actor who has made a career playing compassionate tough guys, California's Democrats — having helped to depose their own governor — face a serious challenge.

If they come at him from the left, he'll consolidate the middle. If they don't, the liberals among them will scream bloody murder. Which will make Schwarzenegger look even bigger and better to most voters. The Democrats are indeed in a pickle.

What did the recall prove? That the Democrats no longer have a lock on California? Nope. They never did.

California voters, for the most part, continue to vote by party. But unless their party nominee for statewide office is in the mainstream (or unless the opponent looks to be way outside of it) they will continue to vote for he or she who appears the best hope of personifying their own centrist impulses.

Philip J. Trounstine, former political editor of the San Jose Mercury News *and former communications director for Gov. Gray Davis, is director of the Survey & Policy Research Institute at San Jose State University. Send comments to* **comments@californiajournal.com**

WHICH WAY ARNOLD?

As voters wanted, the recall brought change. But change to what? Now come the bigger questions, about government cost and performance, public confidence and the vision for a larger, more diverse population. In other words, what do we want?

By Peter Schrag

Lately, the common California question has been, "What will Arnold do?" — about the state's fiscal problems, about schools, about the environment, about energy, about the treatment of illegal immigrants, about political reform.

That's hardly surprising: A lot of pressing issues were fudged and deferred during the 77 days of the recall campaign that shook the state and bemused the world. But now that it's over and we return to reality, it's clearer than ever that even those tough issues touch on much bigger questions — questions that have rarely been addressed in ordinary times but that the recall, almost despite itself, brought to the fore: What do we want? What kind of state, what sort of government, what level of services, at what cost? How will we accommodate the huge wave of new Californians, most of whom are Latino and Asian? What is our vision of a good society?

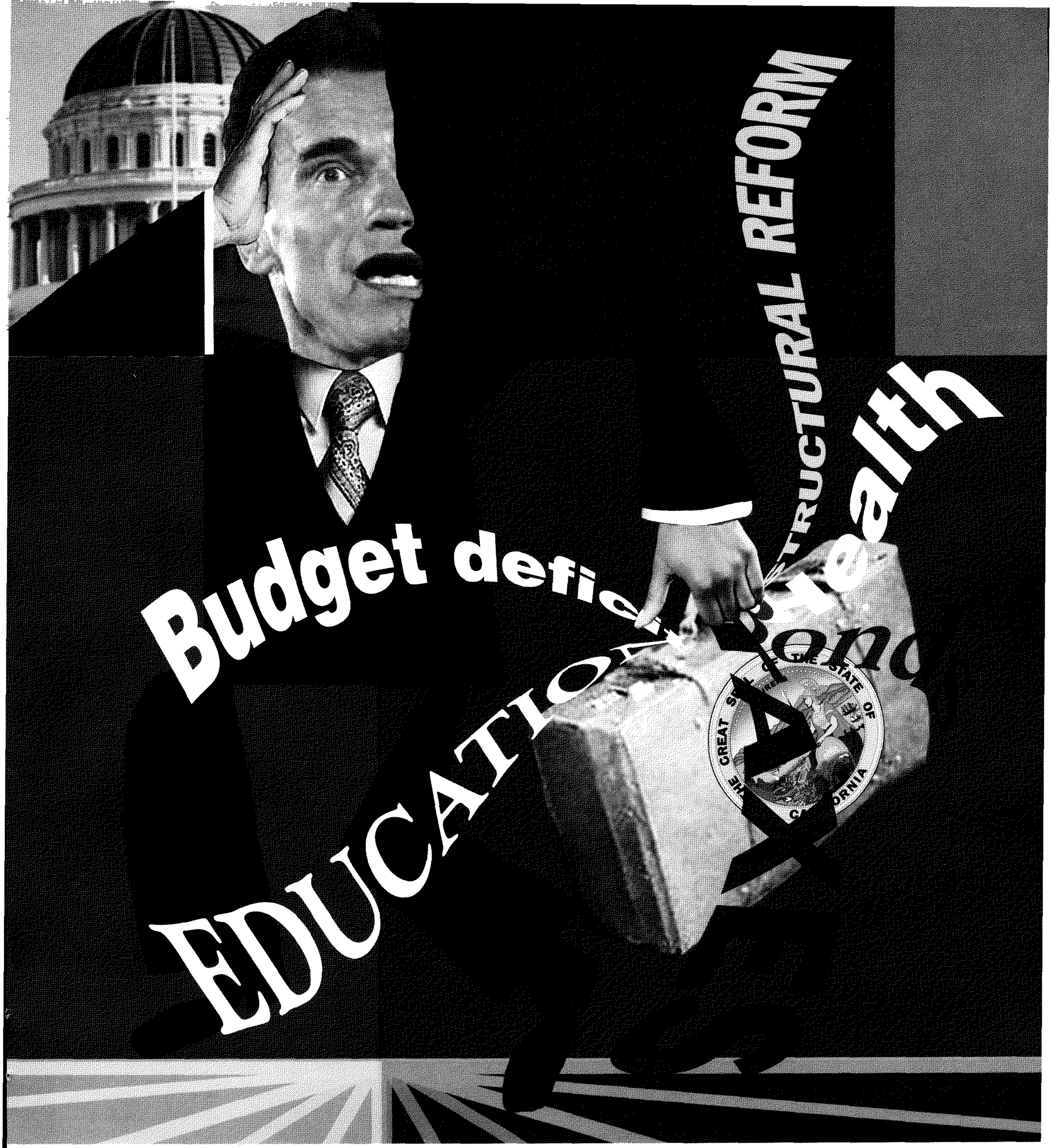
If the recall of Gray Davis was a revolt by angry voters, it was pretty easy to spell out — at least in general terms — what the revolt was against. But what was it for? This could be the beginning of a new era — such phrases are always appealing at moments like this. But because this election may have been as much a diversion from, as a confrontation with, the fundamental choices such a change entails, there are far fewer answers than questions — questions for all Californians — about the shape that era will take.

By comparison, the frequently cited problems facing the new governor and the old Legislature — another unprecedented combination in California politics — are still relatively simple, however momentous and technically complex they seem.

We don't yet know how large the budget gap will be next year. It could be as little as $8 billion. It could be as large as $20 or $25 billion, depending on the economy; on whether the governor can, as promised, repeal the increase in the so-called car tax (which would enlarge the hole by $4 billion); and on whether the courts block the bond by which Governor Gray Davis and the Legislature hoped to pay off $10.7 billion of this year's deficit.

For the governor and Legislature, the immediate choices seem fairly clear. Arnold Schwarzenegger, following the example, and no doubt the advice, of former Governor Pete Wilson, one of his senior campaign advisers, says he'll try to get more money from the federal government, especially to defray the prison costs of illegal alien felons. And, like Davis, he's also calling for more revenues from Indian gambling casinos.

Both those sources, however, are sovereign entities over which California's governor has little control. In 1996, the federal government was paying California $270 million a year under SCAAP, the State Criminal Alien Assistance Program, to defray a fraction of the prison costs for illegal alien felons. Last year, President George Bush tried to kill SCAAP. Through the efforts of U.S. Senator Dianne Feinstein and others, Congress saved it, but at a much reduced level that now yields California just $95 million.



Restoration of even the peak amount would cover only a fraction of the costs of incarceration of illegal aliens to the state and counties.

Bush could, of course, try to help California's new governor with the kind of bailout of all states that Democrats in Congress, pursuing an economic stimulus program, have been calling for. But despite the Bush-Schwarzenegger cozy-up in Riverside last month, the state of the federal budget and the politics of this administration make that highly unlikely. Even before the meeting occurred, the White House had warned the man who briefly predicted he'd become California's "Collectinator" in Washington to back off from making any public requests.

That leaves the familiar set of options: cut, tax or borrow or, more plausibly, cut, tax and borrow. Schwarzenegger says he won't raise taxes and has pledged to protect public education. Without major borrowing or increased revenues, that would put enormous pressure on higher education and health care — which have already suffered cuts — and prisons.

In 1967, when Governor Ronald Reagan inherited a large deficit from his Democratic predecessor, Pat Brown, he supported and approved the largest tax increase in the history of any state. In 1991, Pete Wilson, facing a $14 billion hole inherited from his Republican predecessor, George Deukmejian, agreed with Speaker Willie Brown and the state's legislative Democrats to more or less split the difference, cutting spending and raising taxes by roughly equal amounts. But this is a different, more partisan, more ideological era when compromise and pragmatism may be harder to come by.

There's also talk about a constitutional spending limit — perhaps linked to a temporary tax boost — which would cap increases in state expenditures at no more than the increases in population and the consumer price index. California voters approved such a limit when they passed Proposition 4 in 1979, but because inflation in labor intensive public services often rises faster than the CPI, it badly stressed public services, schools particularly, and was later replaced with a much more pliant limit. Because it returned money to taxpayers — much of which would otherwise have gone to schools — it also prompted the passage of Proposition 98, which imposed a complex formula setting a floor beneath which state school spending couldn't fall.

Obviously recognizing the public's support of schools, one of the spending caps now under discussion would divert half of any surplus to public schools; the rest would be returned to taxpayers. That could be a brilliant political strategy but it would badly squeeze the other services, particularly the colleges, which have already reduced access and raised fees.

But beneath all those fiscal issues, and indeed, beneath, virtually all the now-familiar questions — about driver's licenses for illegal aliens, about domestic partners laws, about state mandates requiring businesses to help expand health coverage, about political reform, about the business climate — lurk those bigger questions:

- How much are Californians willing to pay for high quality public services, particularly when an increasing share of those services in schools and universities, in health care and in other sectors go to Latinos and Asians, even as the majority of voters remain white, middle class and have disproportionately few children?

- What is the business climate anyway? To what extent do Californians understand that the state's power to attract enterprises paying decent wages depends not only on favorable taxes and manageable regulation but, as spelled out by Steve Levy of the Center for the Continuing Study of the California Economy, on accessible quality schools and universities and the well-educated work force they produce; on effective transportation systems; and on a string of quality of life conditions — clean air and water, rich recreational and cultural opportunities — that attract executives and high-wage employees?

- How can the state modify its tax structure to return more control and accountability to local governments? At the same time, how can California develop the regional governmental structures and encourage coordinated planning that reduces freeway crowding, shortens commutes, and encourages the siting of job-creating enterprises and the development of affordable housing?

- Can California's leaders — in politics, in the business community, in the unions and civic organizations — restore confidence in the institutions of representative democracy and slow the state's orgy of plebiscites — initiatives, referenda and now, perhaps, recalls? What kind of message will incumbent legislators, Democrats and Republicans, who were formally untouched by this recall, take from it?

The outpouring of ballot measures in the past 25 years has not only shifted the state's center of policy-making to the ballot box but confounded and severely hamstrung state and local representative government, confused the electorate and made all elected officials increasingly less accountable. Put another way, will Schwarzenegger mark the beginning of a restoration of traditional democracy, or is he merely an event in its further deterioration?

- Should California move further toward the fee ethic and market principles of government triggered by the passage of Proposition 13 and, if so, to what extent and in what way? Who should pay to maintain parks — the community at large, meaning taxpayers, or the users? Who should pay for the infrastructure — schools, freeway interchanges, sewers — for new development, the developer and prospective homeowner through "welcome stranger" policies, or the larger community? What about college and university costs? Should students who can afford them pay much higher fees, while poor students get higher financial aid, as in other states?

More broadly, to what extent should California move toward a much more rigorous system of demand management, as proposed by David Dowall of the Public Policy Institute of California and others — higher peak-time tolls on roads and bridges; real-time pricing of electricity to reduce peak-load demands; university tuition based in part on efforts to encourage off-peak use of university facilities?

Most important, California, with its huge diversity of languages, cultures and ethnicity, is leading the nation into an age when the proportion of Anglo whites is sharply declining. Since 1962, when California, then with a population of some 16 to 17 million became the nation's most populous state, the population has roughly doubled, to some 35 million people. More than 70 percent of that growth has been Latino and Asian, some immigrants, some the children of immigrants. We are now, as almost

California is trying to do what no nation on earth has ever tried to do before: Take people from that vast variety of backgrounds and ... forge a good society in a post-industrial high-tech age.

everyone must know, a majority minority state. In the meantime, some 330,000 more arrive each year, 150,000 of them illegally. Almost inevitably the Golden State will be a model both to the nation and the world of how a modern society meets that challenge.

How will we accommodate these new Californians? Will they be acculturated much as the great flood of immigrants from southern and eastern Europe were absorbed into the great American melting pot a century ago, or will we Balkanize ourselves into a mosaic of cultures? How much capacity — economic, social, environmental, psychological, moral — does the state have for absorbing them? California has long been ambivalent about its immigrants, alternately demanding workers for jobs in the fields, the kitchens, and other low-wage jobs that most native Americans won't take, then reacting in bad times with alien land laws, Chinese exclusion and Proposition 187, which (in 1994) sought to deny schooling and health care to illegal aliens and their children.

Governor Davis' approval of the bill granting driver's licenses to illegal immigrants — a bill similar to one that, under different political circumstances, he'd vetoed before — was one of the flash points of the recall campaign. But the bill would never have generated as much heat were it not for the deeper tensions and anxieties that immigration and ethnicity generate. Almost every discussion of school crowding or rising state spending brings calls to conservative talk shows and mail to newspapers declaring that none of those problems would exist if it weren't for all those immigrants. "As for the illegal aliens," said a card I recently received, "the civil war is-a-comin'."

Resolving those tensions is hardly a task for the governor alone. It's a test for every person in any leadership position, not least for those who purport to speak for those new Californians. A decade ago Governor Wilson was castigated for seeming to fuse attacks on all immigrants with legitimate concern about illegal immigrants. But this year, in his defense of immigrants, Lieutenant Governor Cruz Bustamante seemed to do the same thing in reverse. Either way, we forget the distinction at our common peril.

But on immigration, as on scores of other things, Schwarzenegger's celebrity gives him an unusual opportunity to set a tone for California, for his party and for the nation. California is trying to do what no nation on earth has ever tried to do before: Take people from that vast variety of backgrounds and, through good education and other high quality programs and policies, forge a good society in a post-industrial high-tech age. For all the difficulties that generates, it's hard to think of a nobler cause.

In her new book, "Where I Was From", Joan Didion, Sacramento's native daughter, deconstructs the myth of California's exceptionalism, the nostalgic belief of every generation, beginning with the children of the first people to cross the plains in 1850s, that they were independent, self-made individuals and were thus entitled to some special treatment and consideration — and that every generation after them were the spoilers of California's providential perfection.

In fact, she argues, we were always dependent on government — on federal subsidies for the railroad, on land grants and cheap water for agriculture and huge flood control projects to make cities like Sacramento relatively safe from the annual spring deluge, defense contracts to spur the wartime and Cold War boom of Southern California. We have no special exemption from tragedy and self-delusion.

What she doesn't mention is the essential American dilemma that lies beneath that myth. If we began in perfection, how could there be progress? Even as voters went to the polls on October 7, there were reports of rising state revenues and the beginnings of a Silicon Valley recovery. There were also numbers, widely ignored during the campaign, showing that California's recession, as measured in jobs lost, was less severe proportionally than the nation's as a whole.

Some things are beyond California's control. Schwarzenegger, himself an immigrant and, (in at least the most literal sense) a self-made man, is going to have to help the state surmount its myths, to confront hard choices about spending and services that can't be wiped away just with audits and elimination of fiscal waste; about what kind of place we want to be, about how we want to run our affairs, and how we will live together. If we can't make those choices, California is likely to get swept into one "revolt" after another, all of them against something, none of them sure what they really want.

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The battered Republican Party has a new opportunity to grow. But the lesson in Schwarzenegger's victory is that California is a pretty centrist place.

For several years now, California Republicans have been the Golden State's version of the Northern Alliance. Like their Afghani brethren, the state GOP had become a small and increasingly isolated minority trapped behind enemy lines, hamstrung by internal divisions and lack of support from the outside world.

It's been less than five years since Pete Wilson finished his second term as governor, but for California Republicans, those 58 months have seemed like a lifetime. We tried everything to shake out of our slump. We tried conservative candidates and we tried moderates. We tried career politicians and first-timers, firebrands and sleep-inducers.

CAN ARNOLD LIFT

By Dan Schnur

But nothing seemed to work. Add it all up, and Dan Lungren, Matt Fong, Bill Simon, Tom Campbell and Dick Riordan combined to win precisely as many campaigns as Peter Camejo and Mary Carey. That is to say, none.

And then came Arnold. Although it was fashionable throughout the recall campaign to dismiss the legitimacy of the election's results, Schwarzenegger ended up being elected with greater support than Gray Davis had received during the 2002 campaign. By attracting significant support from female voters and union members, the "Terminator" cut into the two traditional pillars of Democratic political strength. Most important, the independent voters who had supported Davis in two consecutive elections voted Republican as well, allowing Schwarzenegger to claim the political

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Let's Bring
California Back
www.joinArnold.com

Arnold Schwarzenegger conducts a town hall meeting in Clovis. Photo: Robert Galbraith, Reuters, 9/29/03.

AN ELEPHANT?

center as he prepared to take office.

The size of Schwarzenegger's victory means that roughly two dozen Democratic legislators now represent districts that voted for both recall and for Arnold. Those members will be the key to the new governor's attempts to develop a bipartisan coalition in support of his policy agenda over the next three years. But what takes place in Sacramento is only part of the story; just as important will be Schwarzenegger's impact on the political fortunes of the state's two major parties.

Schwarzenegger's greatest contribution to the Republican Party is that he has greatly expanded the size of its potential audience. In recent years, many California voters had ceased to consider the GOP as a relevant part of the political discussion. It's not that they considered the two parties' respective messages and then tended to choose the Democratic alternative. Rather, they had simply stopped listening to what Republican candidates were saying altogether. Many of those people voted for Schwarzenegger last month.

This is not to say that Schwarzenegger can automatically deliver those voters to other Republicans. But it's always easier to get someone to repeat an action than to get them to do it for the first time. So the fact that these voters supported Schwarzenegger once may make them more amenable to a GOP message. When George W. Bush campaigned here in 2000, broad swaths of the electorate were not available to him. There's no guarantee that Arnold's Army will vote for Bush. But now, at least, they'll be willing to listen.

California Republicans are predictably giddy with success and already looking to parlay Schwarzenegger's victory into political gains at every level of government. The new governor's celebrity, his fund-raising capability, and his ability to attract public and media attention will make him an invaluable resource to GOP candidates for local and legislative office.

State Democrats, for their part, are already dividing into two camps. One group dismisses the entire recall phenomenon as the voters' personal problem with Gray Davis, with no longer-term political or partisan impact on their party's majority status. They will soon learn exactly how much they didn't understand the extent of the anger and frustration that led to the recall. The others are rending their garments and wearing sackcloth and ashes.

This shouldn't translate into an assumption that moderate candidates are either party's automatic ticket to victory. A political party's strength is its ideological base, and to ignore that base is a sure way to guarantee defeat. Republican Dick Riordan learned this lesson in last year's campaign for governor. Democrat Joe Leiberman is in the process of learning it during his current presidential effort. Moderate Republicans, who have been a minority within a minority party, have already decided their brand of ideology must represent their party's future. But they would be just as mistaken as the conservatives who refuse to compromise in order to gain access to power. Or as mistaken as a Democrat who thinks that the anger behind the recall was targeted solely at Gray Davis.

Despite its reputation as a Democratic stronghold, at the statewide level, California is a pretty centrist place.

But at least for now, both parties are overreacting to the election results. Schwarzenegger's election has the potential to lead to broader political progress, but there is no guarantee that such progress will ever take place. Schwarzenegger has provided an opportunity for California Republicans. Whether we take advantage of that opportunity is still to be seen.

The most important lesson to be learned from this election is a reminder of something most of us have known for a long time. Despite its reputation as a Democratic stronghold, at the statewide level, California is a pretty centrist place. An indefensible redistricting agreement has created legislative districts that reward the most ideologically intense candidates of both parties. But in state elections, candidates who can successfully reach out to voters clustered toward the center of the political spectrum without abandoning their parties' respective bases, tend to get elected.

So when one party vacates the political middle, as Republicans did in the late 1990s, the other party takes advantage, as Democrats like Dianne Feinstein, Bill Clinton and Davis did for the better part of a decade. Schwarzenegger has simply reclaimed turf that Republicans George Deukmejian and Pete Wilson had occupied for the previous 16 years when state Democrats like Tom Bradley and Kathleen Brown pushed their party too far left.

Parties in power tend to forget this lesson. After four consecutive terms of holding the governor's office, state Republicans veered rightward. After five years of Davis, coming on the heels of a string of Clinton and Feinstein victories, California Democrats began to obsess over their party's liberal wing to the exclusion of the rest of the electorate. The cautious centrism that marked Davis' first years in office soon gave way to driver's licenses for illegal immigrants and expanded rights for same-sex couples. The result was Governor Schwarzenegger.

A successful candidate of either party has to accomplish two things simultaneously. Bush and Clinton both understood that targeting swing voters only made sense once their parties' most loyal supporters were on board. Schwarzenegger's challenge will be to cement his ties with conservatives on economic issues (no new taxes) and cultural matters (repealing the driver's license bill), allowing him to maintain his support with moderate voters on environmental, educational and other social issues.

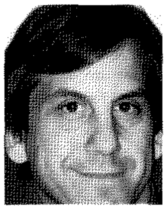
One final ramification from Schwarzenegger's victory may be an important political change taking place within California's Latino community. Schwarzenegger and fellow Republican Tom McClintock both supported Proposition 187. Both promised to reverse Davis' decision to grant driver's licenses to illegal immigrants. Combined, they received more than 40 percent of the Hispanic vote, doing especially well with middle class and suburban Latino and Latina voters.

As Hispanic-Americans move up the socio-economic ladder, these results suggest a heightened competition for the vote within this community in future state elections. If Republicans can also maintain support among the female and blue-collar Californians who supported Schwarzenegger, the transformation to the state's political landscape will be dramatic.

If the competition for the allegiance of these voter groups becomes more intense, then what we are most likely to see is not dominance on the part of either Democrats or Republicans, but rather a return to political parity in California. At worst, a state that is competitive for candidates of both parties may result in a situation in which politicians once again have an incentive to listen, and to be responsive, to the voters they have been elected to represent. Which is what Californians wanted when they signed up for a recall in the first place.

Arnold and George

by Marc Sandalow



The transition from campaign-speak to governing-speak can be dizzying. So Arnold Schwarzenegger can be forgiven for denying the obvious when he asserted, in the first hours after his election, that there is "no White House connection" on the team preparing him for Sacramento.

What about Rep. David Dreier (R-San Dimas), the co-chair of President Bush's California campaign in 2000? What about Jim Brulte, a Republican state senator and another Bush campaign co-chair, and Jerry Parsky, the chairman of Bush's efforts in the state, not to mention half a dozen other members of the transition team and Schwarzenegger inner circle with close links to the White House.

Oh well. As Schwarzenegger said during his campaign, Californians aren't interested in details.

Keeping a distance from the White House was an imperative during the campaign in order to fend off Democratic conspiracy theorists who saw links between the recall, Clinton's impeachment, the contested 2000 election and a controversial redistricting plan in Texas.

> The initial Bush-Schwarzenegger meeting was long on symbolism and short on substance.

Now, with the election over, the message is evolving. It suddenly behooves Schwarzenegger to warm up to Washington insiders, to sidle up to the one chief executive more powerful than himself, and, in the name of California fiscal solvency, grab as big a piece of the federal pie as possible.

Republicans in Washington are happy to oblige. And Schwarzenegger learns his lines quickly. He was on the phone with congressional leaders within hours of his victory. And just eight days later, he was standing beside Bush before a sea of television cameras and reporters, declaring that "there is no greater ally that this Golden State has in Washington than our president."

For his part, President George Bush, who professed only an observer's interest in California's political turmoil, and whom an aide said did not bother to stay up late enough to learn the results election night, embraced the governor-elect.

The two share some similarities. Bush, the 57-year-old son of a former president, and Schwarzenegger, the 56-year-old Austrian-born movie star, each chose a career in politics as a second — if not a third — career. Each has relied on name recognition and "hail-fellow-well-met" likeablity to advance his career, and each triumphed over longtime officeholders by pledging to shake up the political establishment.

Yet enormous differences divide the pair. Schwarzenegger is a pro-choice, pro-gun-control political novice who used frustration over the state's economy as a springboard to the governor's seat. Bush is an anti-abortion, pro-gun incumbent who must overcome the same economic concerns to win a second term. Their marriage of convenience is built on mutual needs and will survive only as long as they can deliver.

"One has political capital, the other has federal resources," said Bruce Cain, director of the Institute of Governmental Studies at UC Berkeley.

If Schwarzenegger, who won nearly a quarter of the Democratic vote, can convince moderate Californians that Bush isn't so bad, Republicans may have a shot at picking up the state's 55 electoral votes in 2004. By the same token, if Bush can help Schwarzenegger raise California from its fiscal crisis, he may provide the new governor with a strong political platform.

Neither will be easy.

Bush faces a deficit expected to top $500 billion next year. Schwarzenegger faces tough decisions on whether to stand with Bush or a majority of Californians on issues such as financial privacy, auto emission standards, medicinal marijuana and offshore oil. He may not have the political capital, or the inclination, to salvage Bush in a socially liberal state's weak economy.

High drama has been a hallmark of Bush's trips to California, and a barometer of the Washington-Sacramento relationship. Bush's first visit, nearly five months into his presidency, came in the midst of an icy cold war, when some considered Gov. Gray Davis a threatening political rival, as remarkable as that seems today. Davis and Bush struck a detente of sorts after September 11, as Bush's popularity soared and Davis' began to plummet.

The initial Bush-Schwarzenegger meeting was long on symbolism and short on substance. Or so it appeared from outside the closed doors. Schwarzenegger emerged from the meeting and took 30 minutes of questions from reporters without divulging any information, a White House trademark.

The question now is whether either can deliver. The odds appear long. Then again, so were the odds that the relationship between Arnold and George would have real consequences.

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Everybody wants a piece of Arnold — moderates, conservatives, Democrats, even the president. But plenty of California governors have been burned by the national spotlight. Now, Schwarzenegger will be tested.

If only for a piddling detail called Article II, Section 1 of the United States Constitution ("No person except a natural born citizen . . . shall be eligible to the office of President") Arnold Schwarzenegger could test the Curse of Charles Evans Hughes. It's not a formal damnation — like the Chicago Cubs' "billy-goat" affliction, or the "Curse of the Bambino" that haunts the Boston Red Sox. Still, a black cloud does hover over California politics.

In 1916, Hughes was the Republican presidential nominee. During a campaign swing through the Golden State in August, Hughes offended California's Republican governor, Hiram Johnson, by failing to praise him during a rally in San Francisco. Two nights later, Hughes inadvertently snubbed Johnson again because he was unaware the two were staying at the same hotel in Long Beach. An angry Johnson instructed his Progressive Republican machine not to help Hughes' campaign in California. That November, Hughes ended up losing the state by less than 4,000 votes, and it cost him the presidency (Woodrow Wilson won the electoral count, 277-254).

DANGEROUS DISTRACTIONS

By Bill Whalen

Now, fast-forward 87 years. Since those fateful days in the summer of 1916, no incumbent governor has come close to winning the presidency. Two Californians — Ronald Reagan and Richard Nixon — have sat in the Oval Office. Each had previously won California elections — Nixon to Congress and Reagan as governor — but they were out of office at the time of their victories.

Over the past four decades, the presidency has proven to be both a magnetic lure and a graveyard for sitting California governors. Reagan tried and failed while he was in the statehouse in 1968. Jerry Brown took a shot while he was governor in both 1976 and 1980. Governor Pete Wilson made a brief run in the 1996 campaign, dropping out well before the primary process actually began. Even Governor Gray Davis showed early symptoms of "Potomac Fever" when, during his first term, he proposed exempting public school teachers from paying state taxes — an idea that resonates with voters in Iowa and New Hampshire. But recall took care of any chance of Davis falling under the "curse."

And Governor Schwarzenegger? It's that pesky Constitution that gets in the way of "Termin-'08-er" talk (though Utah Senator Orrin Hatch has introduced a resolution that would expand

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Governor-elect Schwarzenegger listens to President Bush speak in Riverside. Photo: Jason Reed, Reuters, 10/16/03.

eligibility for the presidency to candidates who've been U.S. citizens for at least 20 years). Still, that doesn't preclude the "Governator" from lending his newfound political muscle to national politics. The question is: Can Arnold handle that weight, or will the burden of the national spotlight get the best of him?

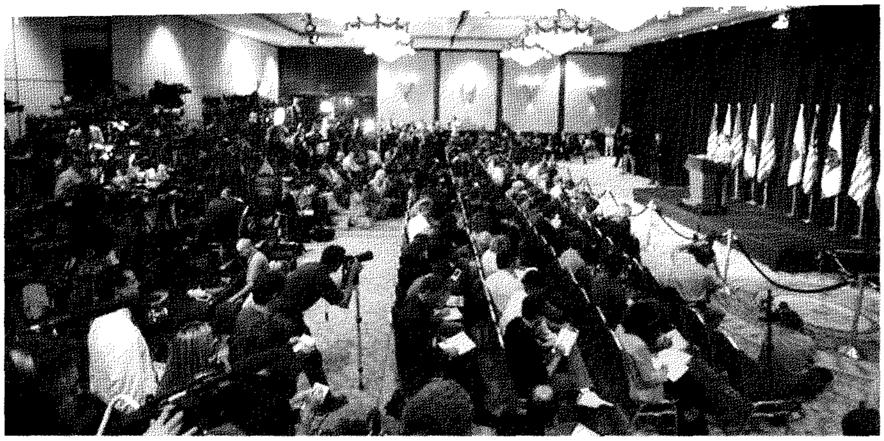
As unique as was Schwarzenegger's victory, there is a precedent staring in the face of California's 38th governor. It's Jesse Ventura, the ex-wrestler and former independent governor of Minnesota. And that's a precedent Schwarzenegger must now avoid at all costs.

Like his former movie sidekick, Ventura was swept into office in November 1998 as an outsider and a non-politician (Ventura played that image to the hilt, campaigning in sneakers and camouflage pants). But once elected, Ventura could not make the jump from showman to statesman. Indeed, his four years in office were a painful study in immaturity and misplaced priorities.

Five days after stunning the world with his upset victory, Ventura caused a flap by going on NBC's "Meet the Press" and suggesting that, rather than having campaigned against him in the Minnesota governor's race, Hillary Clinton should have stayed in Washington and kept a closer eye on her unfaithful husband. By January 2000, Ventura was in office — and at war with NBC for making a movie biopic without his permission. A month later, he got into a flap with the author Garrison Keiller, who'd written a *Time* magazine essay that likened Ventura to a "great big, honking, bullet-headed, shovel-faced, mutha who talks in a steroid growl and doesn't stop." Ventura responded by proposing the elimination of state money for public radio and TV.

As Ventura's first term progressed, so did his penchant for wading into controversies non-job-related. In an interview with *Playboy* magazine, he called religion "a sham and a crutch for weak-minded people." The governor accepted $100,000 to referee a World Wrestling Federation "Summerslam" event in Minneapolis, which was both vulgar and tawdry. And he agreed to provide weekend football commentary for the now-defunct XFL (Ventura's rationale: "State offices are closed on Saturdays and Sundays, anyway. I don't traditionally work then."). Meanwhile, Ventura, a political independent, talked up the importance of the third-party movement in American politics and teased reporters with speculation that he might one day seek the White House.

What did all of this get the burly actor-turned-politician who was all the



The media comes out in force for Governor-elect Schwarzenegger's first press conference at the Century Plaza Hotel in Los Angeles. Photo: Michael Maloney, Corbis, 10/8/03.

rage five years ago? Ventura decided not to seek a second term last fall, and voters didn't seem to object. At present, the former governor is host of a weekend show on MSNBC, which puts him far out of the mainstream and not much of a factor in today's national debate.

This is not to suggest that Arnold will be another Jesse. Schwarzenegger is five years older than Ventura — and a light year ahead of his "Predator" co-star in terms of personal discipline. In other words, he won't shoot movies on the weekend. After the campaign debacle involving an old interview with *Oui* magazine, it's hard to imagine Governor Schwarzenegger baring his soul — or any body parts — to *Playboy.*

But Schwarzenegger does face a challenge in the early days of his governorship. And that's not to allow his momentum or popularity to be exploited by anyone else's personal, partisan or ideological causes. Schwarzenegger was swept into office as a political hybrid: a blend of Republican, Democratic and independent views. That makes him the ideal candidate in a state where both parties vie for the political center. It also places him smack dab in the middle of a tug of war between left- and right-leaning activists.

From the left, the issue is abortion. Arnold Schwarzenegger is now America's most prominent pro-choice Republican. Republican abortion-rights activists would dearly love to use the new governor as a spokesman — giving speeches, writing op-eds — to convince President George Bush to appoint pro-choice Republicans to the federal bench. This is a topic the GOP successfully skirted during the last presidential election. The Bush White House would not look kindly upon Schwarzenegger making it topical once again. It's a lesson former Governor Wilson learned the hard way, when he tried and failed to get the party, at the 1996 Republican National Convention, to change the anti-abortion plank in its platform.

From the right, the issue is recall's progeny. Thirty-two states nationwide do not have the same ballot mechanism as California, most of them east of the Mississippi River. Conservatives would love to start adding recall provisions to state constitutions in hopes of fueling a new anti-incumbency sentiment along the lines of the term-limit movement of a decade ago. Does Schwarzenegger want to involve himself so closely in other states' politics? Or will he limit his focus to California, whose 90-year-old recall provision could sorely use an update.

There's one other tug of war to watch: and that would be the new governor wrestling with his own vanity with regard to national attention.

Biographically, Arnold Schwarzenegger is a non-politician. By California norms, he's also an anti-governor. The top political job in California is a contradiction in terms. The governor watches over the world's fifth largest economy and makes the short list for president or vice president. Yet, pre-recall, most voters couldn't spot their governor in a police lineup. That's because, in the age of modern communications, most California governors have found it tough to make news outside of Sacramento. Local TV stations prefer slow-speed car chases to press conferences on workers' compensation.

A Schwarzenegger administration turns that dynamic on its head, as we've already seen with out-of-town TV stations setting up new bureaus in the state capital. The challenge with this governor isn't to draw cameras. Rather, it's about controlling the message and limiting the messenger's exposure. Again, this is where national politics complicates things. Immediately after his victory, Schwarzenegger was invited to speak at the National Press Club. It's a heady forum full of inside-the-beltway types who think of California as the incubator of national trends. They'd expect Governor Schwarzenegger to deliver a "what recall means to America" speech, and cast himself in the same historical light as Proposition 13 and the Reagan Revolution. And that would cause waves as such a speech would cause speculation that Schwarzenegger sees himself more as a national crusader than the healer of a nation-state's economy.

Schwarzenegger made an early trip to Washington during the last week of October, but he limited his visit to an informal introductory session with California's delegation to Congress.

There is a part for Arnold Schwarzenegger in the big-budget blockbuster called national politics. Yet, ironically, it's as much a supporting role as it is a star turn for the former leading man. With the exception of the president and the vice president, no other Republican is as big a fund-raising draw as California's new governor. On the campaign trail, he brings a touch of Hollywood glamour and excitement to any corner of America. If he's as smart as he is disciplined, Schwarzenegger will understand his utility as a team player for the GOP, and be an active surrogate nationwide next fall for Republicans of all stripes.

It won't remove the Curse of Charles Evans Hughes. But it would ensure that, for this California governor, the road east was not a political dead-end.

Why I voted for Arnold

By Bill Lockyer

California Attorney General

Anyone looking for the true story of the California recall election should not waste much time talking with consultants, politicians, academics or pundits. They should visit the dinner tables of California's families. That's where they will find the people who handed out the election's lessons — people who work hard, and struggle to find a good home, decent schools, adequate health care and a better future.

The question for elected officials and political party faithful — Democratic and Republican alike — is whether the lessons will be learned.

Forget exit polls, hand-wringing analyses and mutual recriminations. The upshot of the recall election is simple: The people took a good look at this state and the people who run it, and they didn't much like what they saw.

Bill Lockyer

They saw a flagging economy, lost jobs, massive budget deficit, decaying schools, and inadequate health care. They studied their elected officials, and it didn't look like anyone was doing much of anything to solve the state's problems. In their view, what they were getting for their taxes was much ideological rhetoric and partisan bickering, but precious little action. That assessment was not limited to Governor Davis. It extended to all elected officials and across party lines.

Enter Arnold Schwarzenegger. Rightly or wrongly, voters saw him as an agent of change and hope, someone who would base decisions on what worked best for the people, not on the prevailing political winds. For them, he meant an end to business as usual.

That is why, after voting NO on the recall, I voted for Governor-elect Schwarzenegger. My fellow Democrat, Lieutenant Governor Cruz Bustamante, is a good man who has stood tall for working people and California's disadvantaged citizens. However, I felt at this time in our history, Governor-elect Schwarzenegger was a better choice to get California back on the right track.

It is particularly important that Democrats heed the lessons of this election. At a time when our party now holds every statewide constitutional office but one and controls both houses of the Legislature, 75 percent of Californians believe the state is headed in the wrong direction. Many natural Democratic Party allies such as union members, and middle class and young voters, supported the recall.

Does this mean that Democrats should betray their core values? Of course not. I know I will not abandon the principles I have worked hard to advance throughout my career: supporting the rights of workers and needs of working families, protecting the environment, safeguarding a woman's right to choose, defending civil rights, promoting public safety and sensible gun control. What Democrats do need to do now, however, is to realize that the customer is right. And we need to start figuring out better ways to work with Republicans and others to provide good answers to the problems Californians want solved, not just the problems politicians want to solve.

As California waits to see if Governor-elect Schwarzenegger matches candidate Schwarzenegger, the state's best interests require that he fully and properly address the disturbing problem of his past sexual behavior toward women. Many voters clearly have already decided to accept his general apology.

However, we must acknowledge that the notion there's anything normal about such behavior is insulting to the victims of sexual misconduct who have shown the courage to fight back. If the allegations and statements of the alleged victims are true, the governor-elect's past conduct constituted sexual harassment. Sexual harassment is not about sex. It is an act of aggression, one in which the more powerful person intimidates and degrades the other.

Such behavior has no place anywhere — not on movie sets or in any other workplace. Therefore, it is imperative that the governor-elect make a genuine effort to answer each one of these allegations and, when needed, make amends.

We have a chance to end the "politics of subtraction," in which consultants and politicians try harder to reduce their opponents' votes than attract votes to themselves. People want to support candidates who enlighten and challenge, who talk straight about what it takes to make things work right. I hope Californians will now begin to see election campaigns that inspire them to participate, not because they are afraid, not because they are disgusted, but because they believe their civic participation can make something good happen.

Send comments to **comments@californiajournal.com**

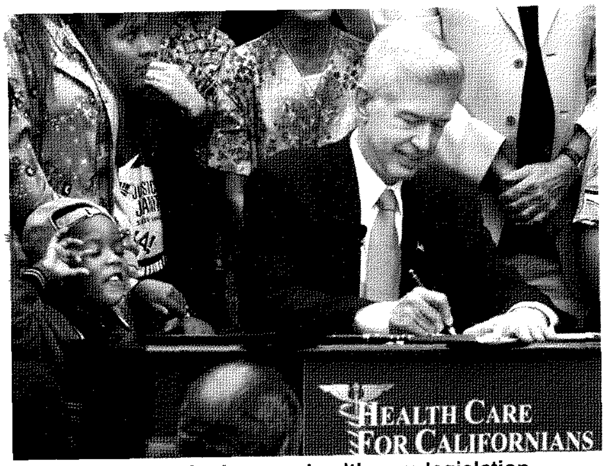
GRAY MEMORIES

Governor Gray Davis signed landmark bills on health care, the environment, energy, gun control, education and worker rights. But he'll be remembered more for the flaws that forced his unprecedented exit.

By Daniel Borenstein

Gray Davis will always be remembered as California's first, and the nation's second, recalled governor. The energy crisis and the fiscal morass that left the state burdened with debt will indelibly brand his legacy.

But the outgoing Democratic governor's five-year tenure also redirected policy after 16 years of Republican chief executives. Domestic partners now enjoy many of the same rights as married couples. Farm laborers can seek mandatory mediation when contract negotiations deadlock. Benefits for disabled workers increased.


Gray Davis signing new health care legislation, Kaiser Med Center, Los Angeles. Photo: Lucy Nicholson, Reuters, 10/5/03.

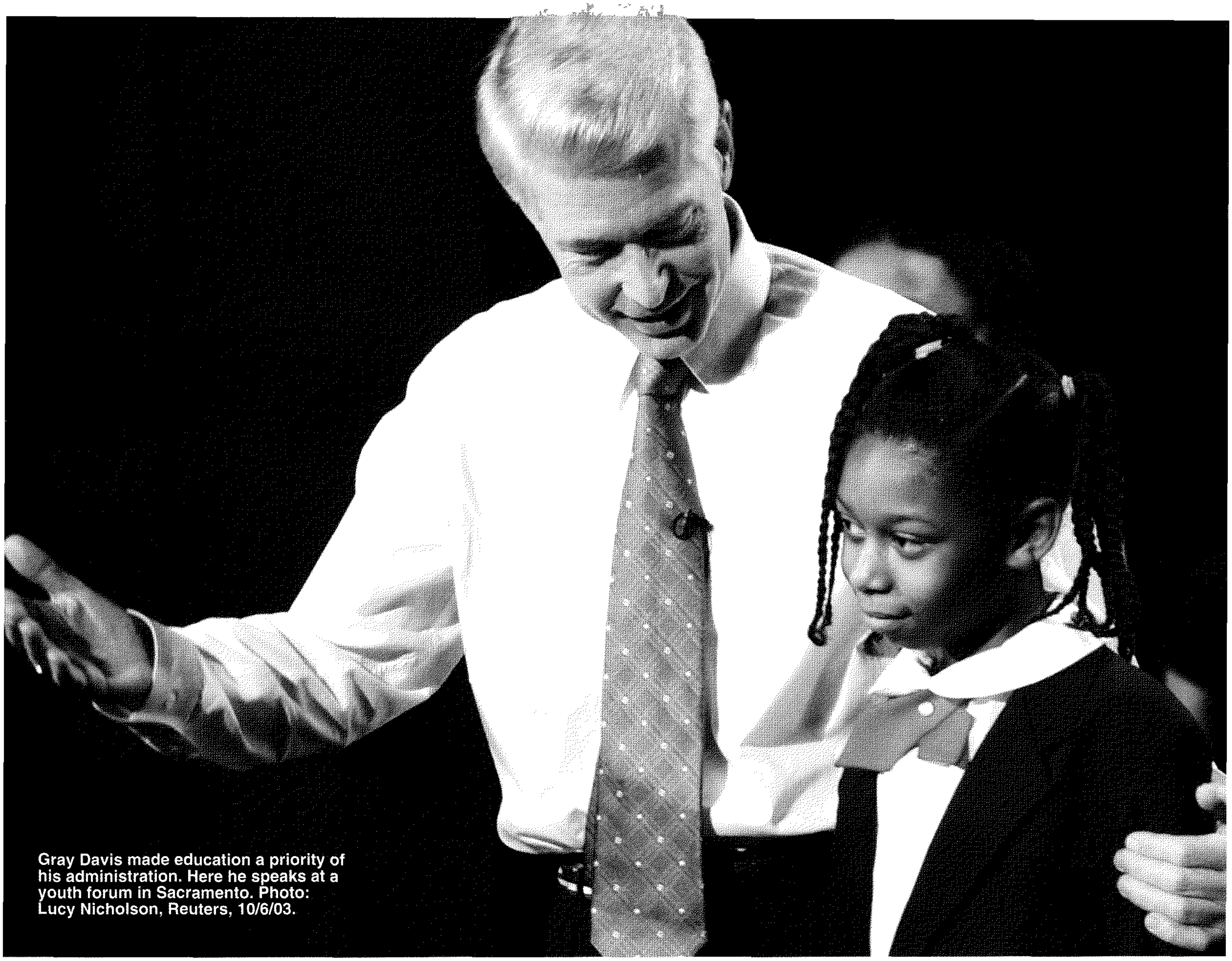
Davis entered through the middle and exited to the left. He started as a centrist and ended as a self-described progressive. He began by trumpeting populist education reforms and finished by allowing illegal immigrants to obtain driver's licenses and requiring more employers to provide health insurance for their workers.

Many Davis policy successes — or failures, depending on one's perspective — diverged far from the course he originally set. Ironically, many were not originally his proposals.

"If you look at the major policy initiatives over the last five years, you'll find that most of them originated in the Legislature," said Fred Silva, a senior adviser at the Public Policy Institute of California.

Of course, technically, that is the process. Laws begin in the legislative branch and progress to the executive. But a California governor can wield great influence. He can veto or sign laws. He can unilaterally trim budgets. And, as governors like Pat Brown and Pete Wilson demonstrated, he or she can leverage that power to carry out his agenda.

Not Davis. As the education years morphed into the energy crisis and


Gray Davis made education a priority of his administration. Here he speaks at a youth forum in Sacramento. Photo: Lucy Nicholson, Reuters, 10/6/03.

the era of budget shortages, the governor lost the leadership position. After vowing to govern from the center, he was pulled left by the more liberal Legislature.

"He never figured out how to say 'no' to his own party," said state Senator Jim Brulte, the Republican leader in the upper house.

"In the first year of the Davis administration, most of the policies adopted were bipartisan," Brulte continued. "And then it took a huge partisan turn to the left. You had a governor who said to the Legislature that its job was to implement his vision. But at the end of the day, the last three years of his administration, Davis mostly implemented the Legislature's vision."

No single bill epitomized that more than the driver's license legislation. It was a desperate act as Davis struggled to save his job. He had twice vetoed similar bills.

But this time, said his top political strategist, Garry South, "he was in the middle of the recall and there was a Latino Democrat running as his replacement." In other words, to save his job, Davis pandered to a voting bloc to fend off a member of his own party, Lieutenant Governor Cruz Bustamante.

The move backfired and raised questions about Latino voters as a Democratic bloc. Only about half of Latino voters supported Davis' effort to keep his job. Moreover, South said, "The signing of that bill actually hurt the governor with rank-and-file Democrats who were white and blue collar."

Along the migration from the center to the left, Davis signed legislation setting up a fund for workers who take time off to care for a sick relative or a new child; toughening gun laws; creating a public power authority; and giving Californians the right to sue their health maintenance organizations.

Many bills were fully formed before Davis weighed in. "The administration didn't participate in the policy debate until the debate was almost over," Silva said. Whereas past administrations traditionally tried to shape legislation after it left the house of origin, Davis and his staff "just waited until it got almost to their desk until they talked to you."

Gray Davis leaving from a plane in Sacramento on the last day of his campaign against the recall. Photo: Lucy Nicholson, Reuters, 10/6/03.

When he spoke up, Davis was often ineffectual — as was the case with his final budget. Unable to sway fellow Democrats, he was forced to abandon key spending cuts of his proposed plan. Despite meeting with House and Senate leaders, he was left on the sidelines as Brulte and state Senate President pro Tempore John Burton (D-San Francisco), fashioned the terms of the accord.

The governor couldn't get respect. Legislators, even from his own party, often ignored him. And, in the end, voters dismissed him. In the final days of the campaign, a Knight Ridder/NBC Poll showed that three of every four voters felt Davis' departure would improve, or make no difference to, the state of affairs in California.

"There are in the man weaknesses in leadership, in vision, in decisiveness that undermined his ability to solve the crises that he faced," said Laura Stoker, a UC Berkeley political scientist. Few will remember the bills that he signed. "He's going to be looked back on in terms of performance, not policy," Stoker said. "I don't think he'll ever escape that."

That despite a long list of substantial legislation, including forcing employers to pay overtime for more than eight hours of work in a day, as opposed to 40 in a week; expanding the state scholarship program for college students; and granting tax credits to teachers.

"It was not like he was inactive, but the public never connected him with action or progress," said Bill Whalen, a research fellow at Stanford's Hoover Institution and a speechwriter for Davis' predecessor, Republican Governor Pete Wilson. "He never developed the bully pulpit."

For the first two years of his tenure, Davis rode a wave of popularity. The economy was booming, jobs were plentiful and state coffers were full. But when he hit the key obstacles of his administration, voters didn't seem to care that the electricity crisis was the product of a failed deregulation plan created on Wilson's watch, nor that that the dot-com bust was beyond the control of any governor.

What mattered was that Davis could not ease the pain. "The energy crisis was really the beginning of Gray Davis' unraveling," South said. "There was a perception of the governor developed in that crisis that bedeviled him from that point forward. It was toxic for him."

Voters might have cut him some slack if they sensed leadership. Instead, they saw a cut-throat campaigner who ran a pay-to-play administration. The governor who in 1998 touted his "experience that money can't buy" had become a maniacal fund-raiser who epitomized everything voters dislike about politicians.

Davis' centrist politics were no longer relevant. He "is a guy who came in very much like Bill Clinton," Whalen said. "He tried to be a triangulator. In good economic times, that worked fine for Davis when he was pretty much under the radar screen. In bad economic times, he had a problem because he didn't have Bill Clinton's personality."

South, the Davis adviser, says it's near impossible to govern this state. Term-limited legislators are most interested in short-term gain. Partisan redistricting exacerbated a badly divided Legislature. And the requirement that two-thirds of lawmakers approve the state budget places veto power in the hands of the minority party.

But that's not why Davis is leaving. Voters ousted him because he failed to lead. He failed to set an agenda the public could embrace. As Silva said, "Schmoozing is part of the job."

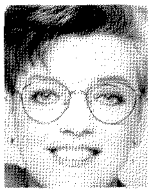
Davis couldn't schmooze with the Legislature, not even members of his own party. And he couldn't schmooze with the voters. In the final weeks of the recall campaign, Davis tried a series of town hall meetings in what was the closest ongoing contact he had with the people he represented. "I wish we'd been doing that for the last five years," South said.

It was too late. There was no way to fix the past, or to stave off the inevitable ending. "It's Shakespearean," said Democrat Attorney General Bill Lockyer. "A noble man with a noble purpose brought down by his flaws."

Daniel Borenstein is political editor of the Contra Costa Times. *Send comments to* **comments@californiajournal.com**

Reading recall tea leaves in LA

by Sherry Bebitch Jeffe



The tale of the tape in Los Angeles Co. tells as much as anything about the stunning outcome of October's recall election.

In the 2002 gubernatorial election, incumbent Gray Davis took Los Angeles Co. by 21 points over his Republican opponent, political novice Bill Simon — 55.9 % to 34.9%. Davis' margin was a mere 5 points statewide — 47.3% to 42.4%. Incumbent Lt. Gov. Cruz Bustamante fared even better, receiving 58.9% of L.A. Co.'s vote and 49.4% statewide. Bustamante's Republican opponent, state Sen. Bruce McPherson, garnered only 33.2% of the L.A. Co. vote — compared to 41.8% statewide.

Just 11 months later, L.A. Co. voters split nearly down the middle on whether to recall Davis; 49.1% voted "yes" on recall and 50.9% voted "no." And, in a county whose Democratic registration is nearly 24 points higher than its GOP registration, Republican Gov.-elect Arnold Schwarzenegger garnered 45.1% of the vote (compared to 46.7% statewide).

> The voting patterns of L.A. Co. reconfirm that this is a state whose electoral dynamics are in flux.

Together, the two major GOP candidates — the moderate Schwarzenegger and conservative state Sen. Tom McClintock — drew the support of 56.3% of the L.A. Co. electorate (compared to a combined 62.1% statewide). Bustamante, who'd carried the county so handily in 2002, received only 37.4 % of its votes in the replacement election (and 31.7% statewide).

What happened?

Turnout is always a factor. L.A. Co. turnout was significantly higher in 2003 (51.1%, as compared to 55.9% statewide) than in 2002 (44.9%, as compared to 50.6% statewide). But, this year, turnout in the Democratic bastion of L.A. City was only 38.4%, just two points higher than the city's turnout of 36.6% in November 2002. And, although recall was defeated handily — 36.3% "yes", 55.5% "no"— over 8% of the city's voters did not register a recall vote on their ballots.

In the replacement election, Bustamante, who defeated McPherson in L.A. city by nearly 39 points in 2002, eked out a narrow 8 point victory over Schwarzenegger — 40.7% to 32.3% (in a city in which Democratic registration is roughly 36 points higher than Republican registration). Two overlapping voter groups — Latinos and labor unions — comprise the engine that drives L.A. Co. Democratic politics. Davis counted on both to save his administration. Neither came through with the necessary numbers.

According to *Los Angeles Times* exit polling, the Latino vote against recall was not as large as Democrats had hoped. The *Times* showed that 55% of Latinos statewide voted against recall — nowhere near the 65% who supported Davis in 2002 — and 45% voted in favor. According to KNBC exit polling, in Los Angeles Co., which accounted for about one-third of the state's Latino vote, 46% of Latino voters supported recall. According to the *Times* exit poll, 56% of union members statewide opposed the recall, but only 43% voted for Bustamante in the replacement election; a combined total of 51% voted for Republicans Schwarzenegger and McClintock.

What does all this mean? There are reasons beyond the obvious — unpopular governor, weak economy, angry electorate, star power — for L.A. Co.'s retreat from Davis and the Democrats. Hollywood did play a role, but it was as an economic engine of So. California, as an occupation of many in L.A. Co. And that resonated, particularly with union members and union households. L.A. voters are at ease with actors running for office; it's like autoworkers running in Detroit. That helped Schwarzenegger. So did Schwarzenegger's So. California presence. Davis resides in L.A. Co., too. But he's never really connected with it, or been a part of its culture or its life. There have been more Arnold sightings around town than Davis sightings.

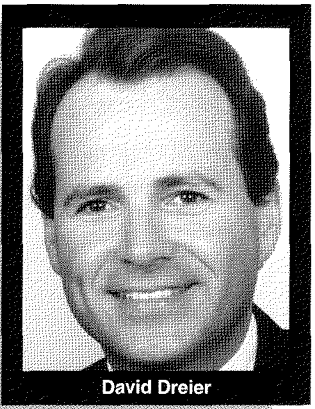
One lesson we can relearn from L.A. Co.'s performance is that factors beyond partisanship, ethnicity or gender influence voter choice. The voting patterns of L.A. Co. reconfirm that this is a state whose electoral dynamics are in flux. As Californians continue to assert political independence, politicians at all levels of government can no longer assume that old strategies work and old loyalties hold.

The voters of Los Angeles Co. have helped to remind pundits and politicians that ours is a candidate-centric system and that no incumbent — regardless of party — can hope to clear the electoral bar if he or she can not satisfy voters when they demand: "What have you done for *me* lately?"

Sherry Bebitch Jeffe is a senior scholar at USC's School of Policy, Planning & Development. Send comments to **comments@californiajounral.com**

Governor's Office:

The new sheriff in town


David Dreier

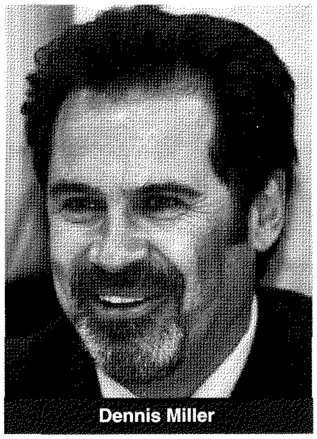
Soon after the historic recall election, Governor-elect Arnold Schwarzenegger announced who'd be on his transition team — which is headed by U.S. Rep. **David Dreier** — but took his time on his two most important hires: finance director and chief of staff. The transition team was notable for its inclusion of Democrats like San Francisco Mayor **Willie Brown** and former Assembly Speaker **Bob Hertzberg**. Also on the list was a major contributor to Democratic Gov. Gray Davis and opponent of the recall, **Warren Hellman**. While giving a nod to the opposing party, Schwarzenegger also tapped Republican big-hitters for the team. Along with former Gov. **Pete Wilson,** the new governor included Sen. Minority Leader **Jim Brulte,** Assm. **Dave Cox,** former Sec. of State **Bill Jones,** former Los Angeles Mayor **Richard Riordan** and others. Schwarzenegger made one significant appointment soon after the October election — he assigned Florida's budget chief, **Donna Arduin,** the task of auditing California's books. Arduin, who's working with Brulte's staff, was given the charge of finding places where Schwarzenegger can cut when he presents his first budget in January. See the rest of the list below.

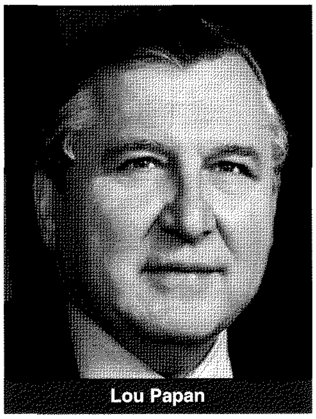
Transition Team

Dean Andal, former state representive
Eloise Anderson, director of the Claremont Institute
Annelise Anderson, fellow of the Hoover Institution
Bill Baker, former state and national representative
Eli Broad, chairman, SunAmerica
Willie Brown, mayor of San Francisco
Tammy Bruce, radio host
James Brulte, Senate minority leader
Carol Chandler, Chandler Farms
Mike Carona, Orange County sheriff
Rick Caruso, president of LA Police Commission
Abraham Cooper, rabbi
Jon Coupal, president of Howard Jarvis Taxpayers Association
Dave Cox, assemblyman
David Crane, partner Babcock & Brown LP
Viet Dinh, professor, Georgetown University
Charles P. Diamond, attorney, O'Melveny & Myers
Susan Estrich, professor, University of Southern California
Carleton Fiorina, CEO, Hewlett-Packard
Matt Fong, president, Strategic Advisory Group
Bonnie Garcia, assemblywoman
Bob Grady, Carlyle Group
Jim Hahn, mayor of Los Angeles
Peter Hannaford, consultant, APCO Worldwide
John Hein, executive director, California Teachers Association
Warren Hellman, chairman, Hellman & Freidman
Bob Hertzberg, partner, Mayer, Brown
Bonnie Hill, president, B. Hill Enterprises
Bill Jones, former sec. of state
Frank Jordan, former mayor of San Francisco
George Kieffer, partner, Manatt, Phelps, and Phillips
Jessie Knight, president & CEO, San Diego Chamber of Commerce
John Koeberer, chairman & CEO, The California Parks Co.
Robin Kramer, senior fellow, California Community Foundation
Sean Liou, president, Always Best Tours and Travel
Abel Maldonado, Assemblyman
Jillian Manus, president, Manus & Associates
Jeannine Martineau, president, California School Boards Association
Kevin McCarthy, leader, Assembly Republican Caucus
Tom McEnery, former mayor of San Jose
Rebecca Morgan, former state senator
Thomas Nassif, president and CEO, Western Growers Association
James Nielsen, former state senator
Carlos Olamendi, restaurateur
Beverly O'Neill, mayor of Long Beach
Gerald Parsky, chairman, Aurora Capital Group
Bill Pauli, president, California Farm Bureau Federation
Sally Pipes, president and CEO, Pacific Research Institute
Cassandra Pye, VP of public affairs and political director, California Chamber of Commerce
Safi Qureshey, founder, AST Computers
Michael Ramos, district attorney, San Bernardino County
Bonnie Reiss, president, Inner-City Games Foundation
William Reilly, CEO, Aqua International Partners
Ivan Reitman, movie producer
Richard Riordan, former mayor of Los Angeles
Piedad Robertson, president, Santa Monica City College
Mario Rodriquez, CEO, Jonathan Grey & Associates
Beth Rodgers, managing general partner, Pacific Earth Resources
Jeff Sedivec, retired firefighter
George Shultz, former secretary of state
Bill Simon, former candidate for governor of California
Donna Tuttle, president, Korn Tuttle Capital Group
Al Vasquez, producer, Abriendo Puertas en la Comunidad
E. Myrtle Williams, treasurer, Los Angeles County Sheriff's Department
Pete Wilson, former governor of California
Dr. Sophie Wong, community leader
Charlene Zettel, former assemblywoman

CampaignWatch

Republican operatives are trying to recruit comedian **Dennis Miller** to take on Sen. Barbara Boxer in 2004, according the *Los Angeles Times*. Thus far, only former Los Altos Hills Mayor **Toni Casey**, current Republican Assm. **Tony Strickland** and former U.S. Treasury head **Rosario Marin** are angling for a shot at Boxer. ... Sen. Minority Leader **Jim Brulte** may face some competition if he decides to run for the Bd. of Equalization (District 3) in 2006. **Michelle Park Steel**, wife of former chair of the CA Republican Party Shawn Steel, has — like Brulte — opened a campaign committee with the sec. of state's office. ... Assm. Speaker **Herb Wesson** announced he'll step aside as speaker in January if Democrats can agree on who would replace him. Among the candidates are **Jenny Oropeza**, **Joe Nation**, **Dario Frommer** and **Fabian Nunez**. *Political Pulse* reported that some members are trying to recruit **Juan Vargas** for the top spot. Wesson will be termed out in 2004. Already, six people have opened campaign committees to compete for the open seat in AD 47 — Merrill Lynch financial adviser **Canard Barnes**; community activist **Karen Bass**; CSU Fullerton prof. **Richard Groper**; former LA Councilmember **Nate Holden**; attorney **Rickey Ivie**; and attorney **Anthony Willoughby**. Holden, 73, served in the state Senate from 1974 to 1978. ... **Heather Peters-Bonhach**, who was a Republican candidate for governor in the recall election, opened a campaign committee to challenge incumbent Democrat **Fran Pavley** in AD 41. According to the sec. of state's office, Peters-Bonhach received 400 votes for governor. ... Democrat Assm. **Sarah Reyes** has decided not to run for the congressional seat vacated when U.S. Rep. **Cal Dooley** announced he was retiring. Among those who may challenge for the seat is Dooley chief of staff **Lisa Quigley** and former Sen. **Jim Costa**.


Dennis Miller


Lou Papan

Lobbyists & PR

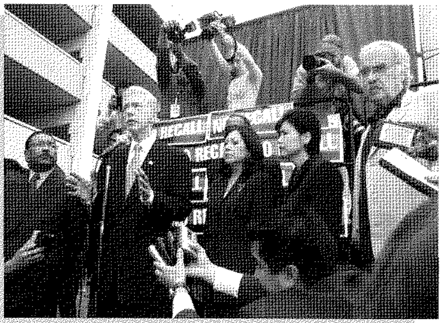
David Quintana is leaving his job as legislative director for the CA Nations Indian Gaming Assn. to become political director of the Viejas Band of Kumeyaay Indians. Quintana was previously legislative director for Sen. Brulte. ... The Matsonian Group has hired consultant **David Yow**, who was formerly with JohnsonClark. ... **Jennifer Mashburn** has joined **Sandi Polka** — a former staffer with Sen. pro Tem. John Burton — at Polka's new consulting firm. Mashburn also worked with Burton. ... Burson-Marsteller hired **Alan Arkatov**, former chair of the CA Postsecondary Education Commission, to work as the firm's CEO of the Southern California region. Burson also tapped **Bill Kahrl**, former *Sacramento Bee* editorial writer who has been with the firm for six years, to head its Sacramento office and its national water policy and land group. ... **Jay Ziegler** was hired by Sutter Health to work in its Public Affairs group. ... Former lobbyist and Senate staffer **Norma Dillon** has restarted her firm Dillon Advocacy.

Other

Gov. Gray Davis appointed former Assm. **Lou Papan** to the Bd. of Prison Terms. The job pays $99,693 a year. ... CA Supt. of Public Instruction Jack O'Connell tapped **William J. Ellerbee** to be the CA Department of Education's Deputy Supt. overseeing the newly created School and District Operations Branch. Ellerbee was formerly associate superintendent of Sacramento City Unified School District. O'Connell also appointed attorney **Russlynn Ali** of Oakland to the newly formed California Quality Education Commission. ... Gov. Davis named Nevada County Superior Court Judge **M. Kathleen Butz** to the CA Court of Appeal, Third Appellate District (Sacramento). Upon confirmation Butz will earn $159,965. ... Davis appointed **Jeremy M. Hallisey** as a member of the California Coastal Conservancy. Hallisey works for San Francisco Mayor **Willie Brown** and is the son of **Jeremiah Hallisey**, a longtime Democratic activist and among Davis' most prolific fund-raisers. The elder Hallisey is a Davis appointee to the California Transportation Commission.

Who's filling what jobs in your office? Drop us a line at **people@californiajournal.com**

Gray Davis' final acts



As the clock wound down on the recall election, Gov. Gray Davis signed a few controversial bills that became campaign issues in the closing weeks of the campaign. On health care, Davis signed SB 2, John Burton's legislation that requires employers to pay for medical insurance for workers. Davis also signed SB 60, which allows undocumented immigrants to get driver's licenses, and AB 205, which grants registered domestic partners much of the same rights as married people. Davis opponents were furious over the signings. In the five years that Davis served as governor, he received 6,244 bills from the Legislature. Of those, he approved 5,144 bills and vetoed 1,100 — or 18 percent. On the weekend before his last day to act on bills in 2003, Davis considered about 200 measures. He vetoed controversial legislation — SB 328 — to give undocumented immigrants free tuition for community college. Davis signed SB 810, which allows state water quality officials to block logging on private land that could harm sensitive streams. See below a sampling of Davis' last acts as governor.

Senate

SB 75 (Burton) Worker rights: Repeals the sunset of last year's new law requiring mediation between farmers and labor unions facing contract deadlocks. Also repeals a cap on the number of cases allowed per year. Passed 23-14. *Approved by governor.*

SB 328 (Escutia) Tuition wavers: Grants community college tuition wavers to undocumented students. Passed 23-13. *Vetoed by governor.*

SB 420 (Vasconcellos) Medical marijuana: Creates a statewide photo identification card registry for medical marijuana patients and caregivers. Passed 24-14. *Approved by governor.*

SB 582 (Speier) Diet drugs: Prohibits the sale or distribution of any dietary supplement products containing ephedrine group alkaloids. Passed 26-13. *Approved by governor.*

SB 719 (Kuehl) School safety: Requires each school district and county office of education to approve comprehensive safety plans for K-12 schools. Passed 25-14. *Approved by governor.*

SB 774 (Vasconcellos) Syringe sales: Allows adult Californians to buy new syringes from a willing pharmacist without a prescription. Passed

SENATE (25 D, 15R)	SB 75	SB 328	SB 420	SB 582	SB 719	SB 774	SB 810	SB 933		SB 75	SB 328	SB 420	SB 582	SB 719	SB 774	SB 810	SB 933
Aanestad (R)	N	N	N	N	N	N	N	N	Knight (R)	N	*	N	N	N	N	N	N
Ackerman (R)	N	N	N	N	N	N	N	Y	Kuehl (D)	Y	Y	Y	Y	Y	Y	Y	Y
Alarcón (D)	Y	Y	Y	Y	Y	Y	Y	Y	Machado (D)	*	Y	Y	Y	Y	Y	*	Y
Alpert (D)	Y	Y	Y	Y	Y	Y	Y	Y	Margett (R)	N	N	N	N	N	N	*	N
Ashburn (R)	N	N	N	N	N	N	N	N	McClintock (R)	N	N	Y	N	N	*	N	N
Battin (R)	N	N	N	N	N	N	N	Y	McPherson (R)	N	N	Y	Y	Y	*	*	Y
Bowen (D)	Y	Y	Y	Y	Y	Y	*	Y	Morrow (R)	*	N	N	N	N	*	N	N
Brulte (R)	N	N	N	N	N	N	N	*	Murray (D)	Y	Y	Y	Y	*	Y	*	Y
Burton (D)	Y	Y	Y	Y	Y	Y	Y	Y	Oller (R)	N	N	N	N	N	N	N	N
Cedillo (D)	Y	Y	Y	Y	Y	Y	Y	Y	Ortiz (D)	Y	Y	Y	Y	Y	*	Y	Y
Chesbro (D)	Y	Y	Y	Y	Y	Y	Y	Y	Perata (D)	Y	Y	Y	Y	Y	Y	Y	*
Denham (R)	N	N	N	N	N	N	N	Y	Poochigian (R)	N	N	N	N	N	N	N	*
Ducheny (D)	Y	Y	Y	Y	Y	*	Y	Y	Romero (D)	Y	Y	Y	Y	Y	Y	Y	Y
Dunn (D)	Y	Y	Y	Y	Y	Y	Y	Y	Scott (D)	Y	Y	*	Y	Y	Y	Y	Y
Escutia (D)	Y	Y	Y	Y	Y	Y	Y	Y	Sher (D)	Y	Y	Y	Y	Y	Y	Y	Y
Figueroa (D)	Y	Y	Y	Y	Y	*	Y	Y	Soto (D)	Y	Y	Y	Y	Y	Y	Y	Y
Florez (D)	Y	Y	Y	Y	Y	*	Y	Y	Speier (D)	Y	*	Y	Y	Y	Y	Y	Y
Hollingsworth (R)	N	N	N	N	N	N	N	N	Torlakson (D)	Y	*	*	Y	Y	Y	Y	Y
Johnson (R)	N	*	N	*	N	*	N	*	Vasconcellos (D)	Y	Y	Y	Y	Y	Y	Y	Y
Karnette (D)	Y	Y	Y	Y	Y	Y	Y	Y	Vincent (D)	*	Y	Y	Y	Y	Y	Y	Y

VOTER RECORDS

Listed here are the votes of legislators on recent major roll calls through mid-July. Votes selected involve issues of major importance and issues on which there was a major division of opinion, or both.

Y - Yes N - No

*** - Absent or not voting**

A 2/3 vote is required for urgency measures, constitutional amendments, and appropriations.

Assembly: 41 votes required for passage of bills needing a simple majority. (2/3 = 54 votes)

Senate: 21 votes required for passage of bills needing a simple vote majority. (2/3 = 27 votes)

21-10. *Vetoed by governor.*

SB 810 (Burton) Timber harvesting: Allows state water quality officials to block logging on private land that could harm sensitive streams. Passed 22-14. *Approved by governor.*

SB 933 (Dunn) Repatriation: Gives persons of Mexican descent who were repatriated to Mexico against their will during the Great Depression, or their heirs or beneficiaries, the right to sue for damages for harm caused by the involuntary repatriation. Passed 28-8. *Vetoed by governor.*

Assembly

AB 17 (Kehoe) State contracts: Requires companies wanting to do business with the state to offer the same benefits to domestic partners as they do to married couples. Passed 41-34. *Approved by governor.*

AB 68 (Simitian) Online privacy: Requires Web sites or online services that collect personal data from Californians to post a privacy policy. Passed 42-32. *Approved by governor.*

AB 457 (Negrete McLeod) Early retirement: Provides early retirement incentives for state, local and school employees who are members of California Public Employees Retirement System. Passed 61-13. *Vetoed by governor.*

AB 487 (Frommer) Rental vehicle fees: Allows rental car companies to recoup new increased vehicle license fee costs from consumers. Passed 42-33. *Vetoed by governor.*

AB 944 (Steinberg) Public works: Allows Property and Business Improvement Districts to use bonds to finance public works and levy assessments on business owners to pay for the bonds. Passed 41-33. *Approved by governor.*

AB 1137 (Reyes) Charter schools: Repeals the sunset on the charter school general purpose block grant, specifies several oversight duties of each chartering authority and establishes criteria for renewal. Passed 71-4. *Approved by governor.*

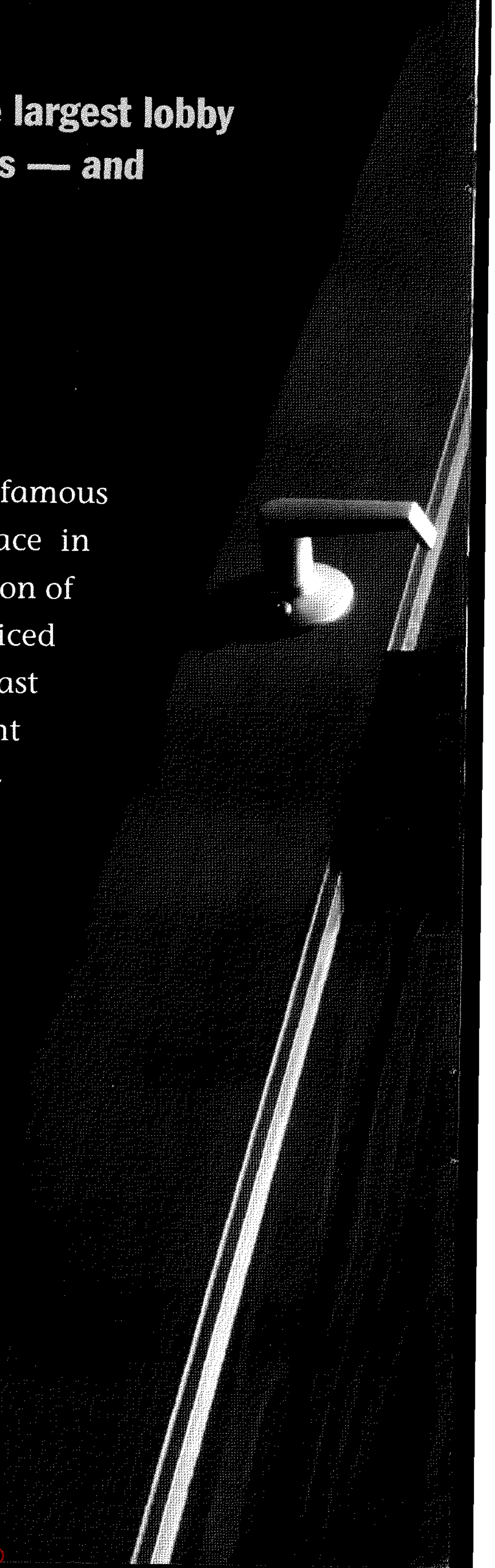
AB 1688 (Goldberg) Car washes: Establishes a system to regulate the employment of workers in the car washing and polishing industry. Passed 42-34. *Approved by governor.*

ASSEMBLY (48D, 32R)	AB 17	AB 68	AB 457	AB 487	AB 944	AB 1137	AB 1688
Aghazarian (R)	N	N	Y	N	N	Y	N
Bates (R)	N	N	Y	N	N	Y	N
Benoit (R)	N	N	N	N	N	Y	N
Berg (D)	Y	Y	Y	Y	Y	Y	Y
Bermúdez (D)	Y	*	Y	Y	*	Y	Y
Bogh (R)	N	N	N	N	N	Y	N
Calderon (D)	Y	Y	Y	Y	Y	Y	*
Campbell (R)	N	N	N	N	N	N	N
Canciamilla (D)	Y	Y	Y	Y	Y	Y	N
Chan (D)	Y	Y	Y	Y	Y	*	Y
Chavez (D)	Y	Y	Y	Y	Y	Y	*
Chu (D)	Y	Y	Y	Y	Y	Y	Y
Cogdill (R)	N	N	*	N	N	Y	N
Cohn (D)	Y	*	Y	Y	Y	Y	Y
Corbett (D)	Y	Y	Y	*	Y	Y	Y
Correa (D)	N	N	Y	N	N	Y	Y
Cox (R)	N	N	Y	N	N	Y	N
Daucher (R)	N	N	Y	N	N	Y	N
Diaz (D)	Y	Y	Y	Y	Y	Y	Y
Dutra (D)	Y	Y	Y	Y	Y	Y	Y
Dutton (R)	N	N	Y	N	N	Y	N
Dymally (D)	Y	Y	Y	Y	Y	Y	Y
Firebaugh (D)	*	*	*	*	*	*	*
Frommer (D)	Y	Y	Y	Y	Y	Y	Y
Garcia (R)	N	N	Y	N	N	Y	N
Goldberg (D)	Y	Y	Y	Y	Y	Y	Y
Hancock (D)	Y	Y	Y	*	Y	Y	Y
Harman (R)	N	N	N	N	N	Y	N
Haynes (R)	N	N	N	N	N	N	N
Horton (D)	*	*	Y	Y	*	Y	Y
Horton (R)	N	*	Y	N	N	Y	N
Houston (R)	N	N	N	N	N	Y	N
Jackson (D)	Y	Y	Y	Y	*	Y	Y
Keene (R)	N	N	N	N	N	Y	N
Kehoe (D)	Y	Y	Y	Y	Y	Y	Y
Koretz (D)	Y	Y	Y	Y	Y	Y	Y
La Suer (R)	N	N	*	N	N	N	N
Laird (D)	Y	Y	Y	Y	Y	Y	Y
LaMalfa (R)	N	N	N	N	N	N	N
Leno (D)	Y	Y	Y	Y	Y	Y	Y
Leslie (R)	N	N	*	*	N	Y	N
Levine (D)	Y	Y	Y	Y	Y	Y	Y
Lieber (D)	Y	Y	Y	Y	Y	Y	Y
Liu (D)	Y	Y	Y	Y	Y	Y	Y
Longville (D)	Y	Y	Y	Y	Y	Y	Y
Lowenthal (D)	Y	Y	*	Y	Y	Y	Y
Maddox (R)	N	N	Y	N	N	Y	*
Maldonado (R)	N	N	Y	N	N	Y	N
Matthews (D)	*	*	Y	Y	*	Y	N
Maze (R)	N	N	N	N	N	Y	N
McCarthy (R)	N	N	N	N	N	Y	N
Montañez (D)	Y	Y	Y	Y	Y	Y	Y
Mountjoy (R)	N	N	N	N	N	*	N
Mullin (D)	Y	Y	Y	Y	Y	Y	Y
Nakanishi (R)	N	N	Y	N	N	Y	N
Nakano (D)	Y	Y	Y	Y	Y	Y	Y
Nation (D)	Y	Y	Y	Y	Y	Y	Y
Negrete McLeod (D)	Y	Y	Y	Y	Y	Y	Y
Nuñez (D)	Y	Y	Y	Y	Y	Y	Y
Oropeza (D)	Y	Y	Y	Y	Y	Y	Y
Pacheco (R)	N	N	Y	N	N	Y	N
Parra (D)	N	Y	Y	N	Y	Y	Y
Pavley (D)	Y	Y	Y	Y	Y	Y	Y
Plescia (R)	N	N	Y	N	N	Y	N
Reyes (D)	*	Y	Y	Y	Y	Y	Y
Richman (R)	N	N	Y	N	N	Y	N
Ridley-Thomas (D)	Y	Y	Y	*	Y	Y	Y
Runner (R)	N	N	*	N	N	*	N
Salinas (D)	*	Y	Y	Y	Y	Y	Y
Samuelian (R)	N	N	Y	N	N	Y	N
Simitian (D)	Y	Y	Y	Y	*	*	Y
Spitzer (R)	N	N	Y	N	N	Y	N
Steinberg (D)	Y	Y	Y	Y	Y	Y	Y
Strickland (R)	N	N	N	N	N	Y	N
Vargas (D)	Y	Y	Y	Y	Y	Y	Y
Wesson (D)	Y	Y	Y	Y	Y	Y	Y
Wiggins (D)	Y	Y	Y	Y	Y	Y	Y
Wolk (D)	Y	Y	Y	Y	Y	Y	N
Wyland (R)	N	N	N	N	N	Y	N
Yee (D)	Y	Y	Y	Y	Y	Y	Y

SACRAMENTO'S TOP LOBBYISTS

California Journal profiles the top five largest lobby firms — by amount of client payments — and finds a mix of old and new firms that represent varying interests

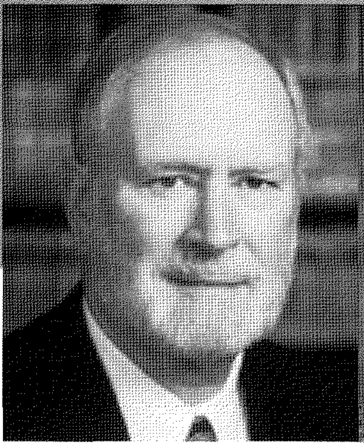
By Stephen Robitaille



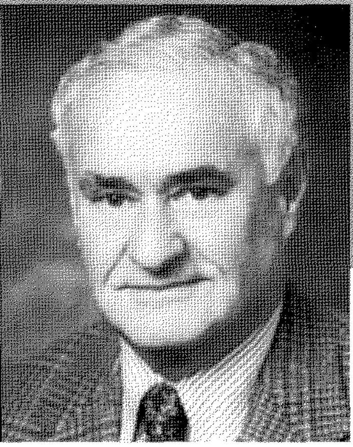
Outside of "Washington D.C.'s famous "K Street Corridor," no place in America has a larger collection of high-powered and high-priced lobbyists than Sacramento. Last year, more than 2,200 interests — from giant corporations to local governments and environmental advocates — hired lobbyists in Sacramento to try and influence decision makers in the state Legislature and the governor's administration.

According to one study, interest groups last year paid lobby firms more than $1.9 million for each of California's 120 legislators — nearly 15 times the national average. That figure doesn't include the money spent on campaign contributions.

Photo: John Gillmoure, Corbis



Michael Kahl



Frederick Pownall

The lobby industry has also seen dramatic change in the last decade.

Term limits have increased its influence. In one recent study, a dozen new legislators reported that more than 70 percent of the bills they introduced during their first year were written by lobbyists.

At the same time, spending on lobby firms has risen dramatically, up 52 percent from a decade ago. The payments to lobby firms are monitored by the Secretary of State's Office, where California lobbyists are required to register themselves as well as disclose their clients, their revenue and the legislation they're seeking to influence. The records indicate that nearly 300 lobby firms do business in Sacramento today, and during the two-year legislative session that ended last year, they were paid a total of $354 million by their clients.

The California lobby is an integral — and sometimes controversial — part of the government process in Sacramento. Watchdog groups worry that the significant spending on behalf of wealthy corporations or groups can unfairly influence policy decisions. But like lawyers in a courtroom, Sacramento watchers also say the lobbyists serve a necessary function by navigating a variety of groups through the legislative process.

In this issue, *California Journal* profiles the five largest lobby firms, as determined by the amount of client payments they reported last year to the Secretary of State's Office. The group represents a mix of old and new companies offering a varying range of services. In addition to lobbying, some provide help with public relations, legal advice, fund raising and other projects. Some were founded by Republicans and some by Democrats, but all of the top firms say their pool of lobbyists reaches both sides of the political aisle.

The Top Five

Kahl/Pownall Advocates

The largest lobbying firm in Sacramento, Kahl/Pownall logged nearly $9.2 million in payments from clients during the 2001-2002 legislative session. The company, with 14 registered lobbyists, is the product a 1995 merger between attorney Frederick Pownall, a longtime lobbyist and legal adviser for the financial industry, and Michael Kahl, who founded a firm in 1970.

Pownall, 65, was with Landels, Ripley and Diamond, a San Francisco law firm, from 1968 to 1995. He served as general counsel for the California Bankers Association from 1972 to 1976, and he helped the association set up its own Sacramento lobbying office. In 1978, he took on Citibank as a client and today, the bank's parent company, Citigroup, is a major client for the firm.

Kahl, 63, served as campaign manager and then staffer in 1967 and 1968 to then-state Senator Jack McCarthy, a Marin County Republican. Later, he was a Nixon administration appointee in the then-Department of Health, Education and Welfare. In 1970, he started a policy planning and research firm in Washington. Kahl, a California native, returned home in 1978 and retooled the firm into a lobbying organization.

The firm's client list boasts leading names in the energy, banking and finance, health care, and communications industries. Its largest client is the Western States Petroleum Association, an oil industry trade group of 30 major producers, refiners and marketers, which provided nearly $2 million in payments to the lobby firm during the last legislative session.

Like many of the top lobbying firms, Kahl/Pownall offers a coordinated package of lobbying, policy analysis and public relations. In particular, public relations has become an important service when a client's message must be delivered not only to Sacramento insiders, but to a broader audience as well.

"With old-line lobbying, a successful lobbyist always had one or more long-term friends in the Legislature or on [a member's] staff," said Pownall. "Today, knowing people continues to be important, but they're in office a short period of time, and they have so much on their plate. So, you're doing the best presentation of your facts and arguments in public, on letters, and at committee hearings. . . . It makes public relations all the more important."

Other clients for the firm include General Electric Company, with roughly $576,000 in payments; Citigroup, the world's largest financial services firm, with about $440,000; California Mortgage Bankers Association, $178,000; PacifiCare Health Systems, $386,000; Tenet Healthcare, $388,500; and Pacific Telesis, $376,000.

The firm was widely viewed as a key strategist in the three-year fight to halt financial privacy legislation this year, an issue that provides a snapshot of the high stakes involved in such matters. State Senator Jackie Speier (D-Hillsborough), the legislation's sponsor, sought to restrict the ability of financial institutions to share or sell customer data. Speier introduced legislation on the issue four times between 2000 and 2003. A measure finally was signed into law in August.

Pownall, representing financial institutions opposed to the bill, said their concerns about earlier versions of the legislation centered on restrictive language that would have hampered banks' internal operations. He said those fears were allayed in the 2003 version of the bill. On the other hand, supporters of the legislation said they were successful because they had gathered the signatures needed to place a more restrictive initiative on the March 2004 ballot.

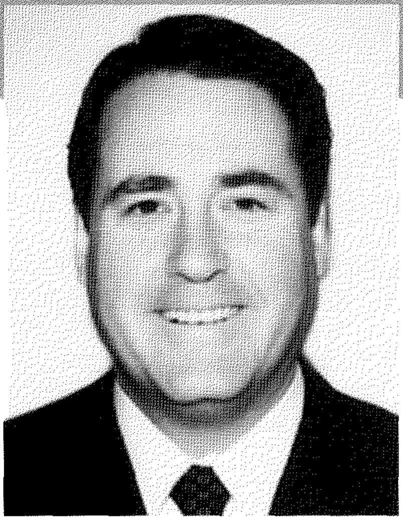
Platinum Advisors

Platinum, the second-largest lobbying firm with $7.4 million in payments, is also the newest of the top five companies. Long-time political adviser Darius Anderson, the chief fund-raiser for outgoing Governor Gray Davis, established the firm in 1999 after a rapid rise in Democratic Party politics.

Anderson, 38, began his political career in the early 1980s as an intern with then-U.S. Representative Doug Bosco (D-Occidental). After stints in 1988 with the presidential campaigns of Richard Gephardt and Michael Dukakis, Anderson eventually became the chief fund-raiser for California Democrats when current state Treasurer Phil Angelides was chairman of the state party. Anderson also served as political adviser to billionaire grocery store owner Ron Burkle in the early and mid-1990s, before becoming the fund raiser for Davis.

Anderson's firm, with 13 lobbyists, rose rapidly into the industry's top ranks, propelled by clients in the tourism, energy, communications, health care and Indian gaming industries. Platinum, with offices in Sacramento, San Jose, San Francisco and Washington, D.C., also does public relations and develops fund-raising strategies. In addition, it has a program to help clients win approval for government construction projects.

A number of observers have cited Anderson's connections with Davis as an important reason for Platinum's quick ascendance. Anderson points to his firm's broad client base — which includes the family foundation of soon-to-be California first lady Maria Shriver — and his well-connected stable of Democratic and GOP lobbyists as evidence that Platinum is here to stay.



Darius Anderson

Major clients include manufacturer Knauf Fiber Glass, with $550,000 in payments; GTech, with $347,600; Pacific Gas and Electric, with $234,000; and the Rumsey Rancheria-Lytton Band of Pomo Indians joint venture, $143,000.

The firm took part in a number of high-profile issues recently. For example, energy producer Calpine Cor-

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poration hired Platinum after its plan to build a $400 million power plant in San Jose was turned down by the city in November 2000. By June 2001, the city was faced with an almost sure override of its decision by the California Energy Commission, and Calpine had the support of politicians from Davis to Senator Dianne Feinstein. The city reversed itself and approved the project.

Another Platinum client, the Lytton Band of Pomo Indians, a tribe with no land, has been seeking to purchase an existing card club in the East Bay Area near San Francisco, for conversion into reservation-cum-Indian casino. The issue of an urban casino has been controversial and the tribe has been in negotiations on the compact with Davis. Recently, Governor-elect Arnold Schwarzenegger said he is not opposed to new Indian casinos in urban areas and the U.S. Department of the Interior in early October took the card club property into trust for the tribe, a key legal move that turns the club into sovereign tribal territory.

Nielsen, Merksamer, Parrinello, Mueller & Naylor

The only law firm among the top five lobby offices is Nielsen-Merksamer with $7.4 million in payments. The firm features prominent Republican pedigrees among those on its masthead, but as with Platinum, stresses its bipartisan capabilities.

Vigo G. "Chip" Nielsen, Jr., 61, has counseled generations of California politicians, from former GOP Governor Pete Wilson to San Francisco Mayor and Democrat George Moscone. Steven A. Merksamer, 56, was chief of staff from 1983 to 1987 for then-Governor George Deukmejian, and also served in the state Attorney General's Office. Robert W. Naylor, 59, is a former Assembly minority leader, U.S. Senate candidate and chairman of the state Republican Party.

The 29-year-old firm, founded by Nielsen, mixes lobbying work, which accounts for 20 to 25 percent of its total business, with an influential practice in ballot initiatives (the firm has coordinated some 250 campaigns in the past 20 years) and electoral-governmental law. The firm's initiative practice covers both legal work and political strategy, while the governmental law practice covers a broad number of issues, from redistricting to candidate filings and litigation. It has offices in Sacramento and Mill Valley, in Marin County. Merksamer, who does no lobbying, joined the firm after leaving the Deukmejian administration.

Like the other top firms, Nielsen-Merksamer is chock-full of successful veterans from all corners of state government, and is oriented toward areas of expertise and connections, not political parties. To be successful, say the heads of the big five lobbying firms, they must be able to work with — or at least get along with — the key players in capital politics.

"Our success is not based on affiliation with Republicans or Democrats per se, and we didn't build our relationships based on party," said Merksamer, who points out that four of the firm's six lobbyists are Democrats

The firm's lobbying clients come from the areas of finance, health care, education, public agencies, pharmaceuticals and energy. They include the oil company BP Amoco, with $534,000 in payments; San Diego County, with $421,000, and Marin County with $360,000; Pfizer, with $342,000; and EdVoice, a non-profit education reform organization, $356,500.

NIELSEN, MERKSAMER
PARRINELLO, MUELLER & NAYLOR, LLP

Local governments have become much more active players in Sacramento politics since the passage of Proposition 13 in 1978, and less reliant on traditional umbrella organizations such as the County Supervisors Association of California. With increasingly complex governmental rules on everything from taxes to land use, what matters to urban counties can be markedly different from that of their rural counterparts. In 2001 alone, the firm worked on nearly 180 bills for San Diego County.

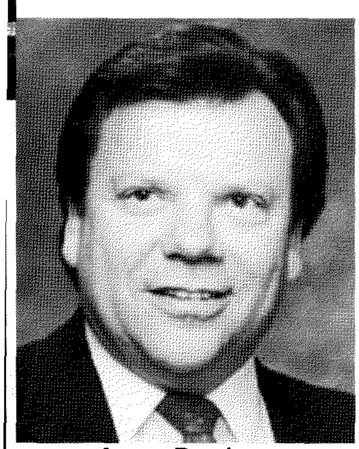
Aaron Read & Associates

The fourth-largest lobbying firm, with $5.3 million in payments for the most recent legislative session, is headed by 33-year Sacramento veteran Aaron Read.

Read, 57, started his firm in 1978, after learning the business as a legislative advocate for the California State Employees Association. The firm, with seven lobbyists, is noted for a client base that is heavy with public employee and law enforcement unions, along with trade groups and industries such as energy, distilleries and manufacturing.

Industry participants say that Read, a Democrat, benefited in recent years from his access to Davis. Read emphasizes his firm's lengthy track record, the nonpartisan organizations he represents and his bipartisan lobbying staff, which includes a former Wilson administration official, Robyn A. Black.

Major clients for Read's firm include the Peace Officers Research Association of California, a law enforcement membership organization, with $691,000 in payments; the California Department of Forestry Firefighters, with $316,500; Professional Engineers in California Government, with $309,700; Pacific Gas and Electric Company, $282,000; and the Distilled Spirits Council of the United States, $185,000.


Aaron Read

Read's work for PG&E provides an object lesson in the complexity of California government. His firm helped broker a deal in which the utility was allowed to issue bonds to pay back the state the $8 billion it had spent to buy power during the state's energy crisis, said Read.

But the utility — which had to track 1,052 energy-related bills in the last legislative session — also hired three other top lobby firms. "Each of the firms has an area of policy expertise," explained PG&E spokesman Ron Low. "During this time, the state was looking at number of complicated energy issues. We used a combination of our lobbyists with our outside consultants ... we had to look at the best way to track and monitor bills."

Rose & Kindel

The last of the top five firms, with $5.3 million in payments from clients, is also the only leading firm owned by women. Cristina Rose and Maureen Kindel have been lobbying forces, individually and with their 16-year-old firm, since the 1970s.

Rose, 56, was a lobbyist for the state Department of Consumer Affairs in the administrations of former Governors Ronald Reagan and Jerry Brown. She followed that with private-practice lobbying, eventually operating her own firm before teaming up with Kindel.

Firm founder Kindel, 65, who manages the Los Angeles business, is a former president of the Los Angeles Board of Public Works, and a longtime Southland civic and political adviser. The firm has offices in Sacramento and Los Angeles, with six lobbyists in each.

The firm's clients reflect a range of constituencies: entertainment, technology, communications, energy, financial services, trade associations and public agencies. Like a number of the top firms, Rose & Kindel has a public affairs arm, and also specializes in government contract procurement.

Clients include First Data Corporation, a multinational credit and financial services firm, with $326,000 in payments; energy producer InterGen, with $278,300; Recording Industry Association of America, with $228,100; Water Replenishment District of Southern California, $192,000; and California Psychological Association, a psychologists' professional organization, $187,400.

In the 2001-02 session, the firm fought on behalf of the recording industry association a bill by state Senator Kevin Murray (D-Los Angeles) that would have weakened record labels' ability to sue artists for noncompliance on contracts. Also, like all of the top five firms, Rose & Kindel participated in legislation on the energy crisis. InterGen, a joint venture of Shell and Bechtel, is a developer of power plants and was included as part of Davis' fast-track plan to increase the state's energy production capacity.

Cristina Rose

Stephen Robitaille is a freelance writer in the Bay Area. Send comments to **comments@californiajournal.com**

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A new leader

The Assembly Republicans have a new leader in Kevin McCarthy, a veteran of Republican battles between moderates and conservatives. Can he continue the GOP momentum in the statehouse?

By Vic Pollard

Kevin McCarthy's election as the new leader-to-be of the Republicans in the Assembly occurred so smoothly and quietly that many people didn't notice how unusual it was.

He was elected unanimously, by all accounts, in a caucus so notoriously fractious that few leaders in recent years have been able to collect majorities of more than one or two votes.

The smooth, Democratic-style leadership transition to McCarthy (R-Bakersfield) from incumbent Dave Cox (R-Fair Oaks) was planned months in advance of when the Legislature reconvenes in January — something new for a caucus that traditionally ousts its leaders in sudden coups.

What's going on here?

It's hard to say for sure, but if it means that Assembly Republicans are learning to put aside the feuds that have fractured them for years, it could be more bad news for Democrats already reeling from Arnold Schwarzenegger's election as governor.

McCarthy, a freshman assemblyman from Bakersfield, thinks his victory is one sign that Republicans are starting to overlook the old divisions between social conservatives and moderates and unite to battle the Democrats who still control both houses of the Legislature.

"I think Republicans on both sides are tired of not being able to govern because we don't have the gavel," he said.

Indeed, while McCarthy is regarded as a moderate, he was able to turn two of the Assembly's most prominent conservatives, Tony Strickland (R-Moorpark) and Ray Haynes (R-Riverside), into supporters and fans. The loquacious Haynes, in fact, was an early competitor for the leadership job, but he said McCarthy won him over with a promise that Haynes would be the point man on policy debates for the caucus.

While the McCarthy-Haynes contest was still under way, Democrats made no secret of the fact that they were rooting for McCarthy.

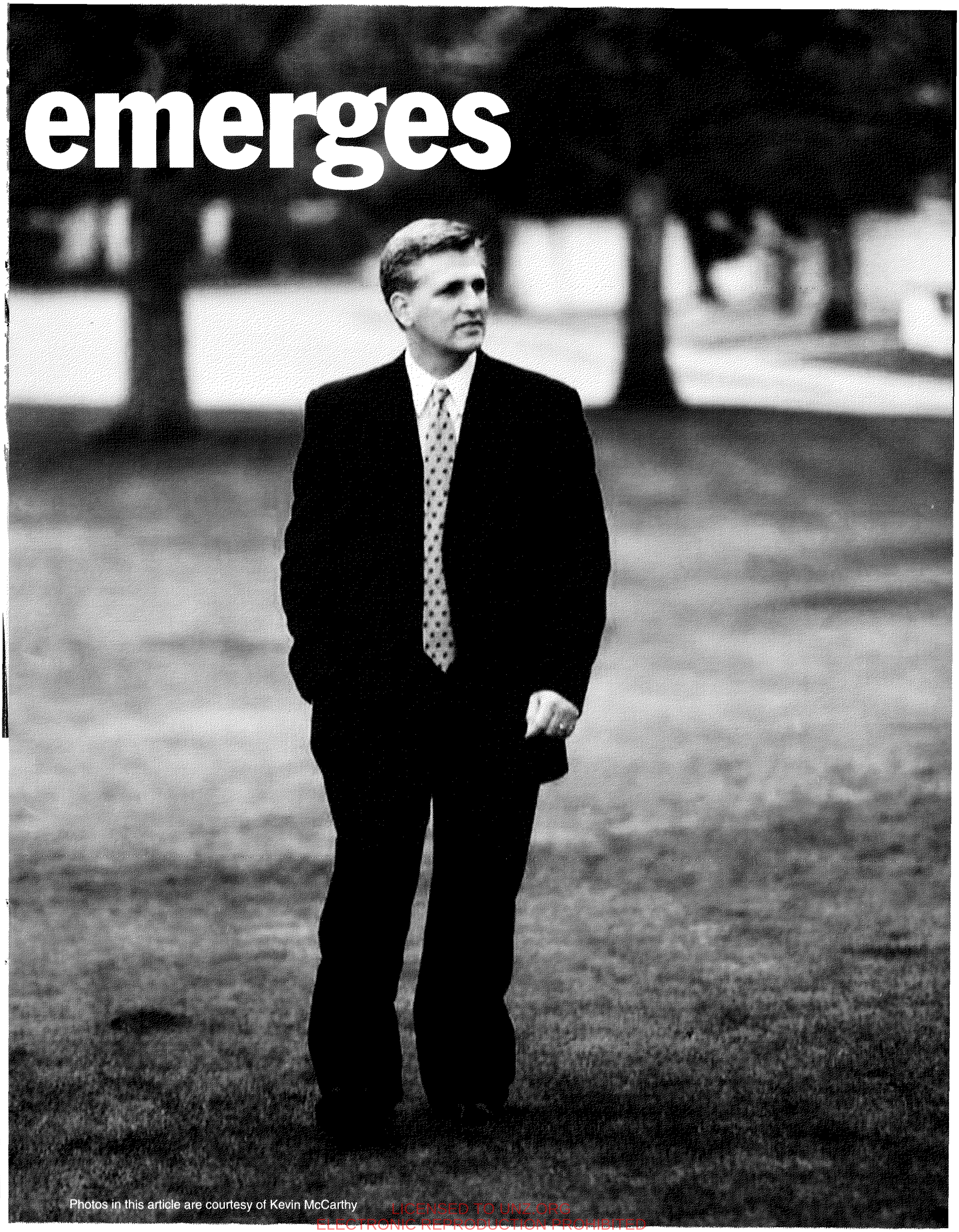
"He actually seems to be a little bit rational at times," said one top Assembly staffer who did not want to be identified.

On the record, Assembly Speaker Herb Wesson (D-Culver City) has nothing but nice things to say about McCarthy.

"I think Kevin is very capable. I think he is very personable," Wesson said. "He and I have had several discussions, and we intend on having more on how we can better work together."

Despite McCarthy's sweeping victory in the caucus, he may still have personal and political fences to mend outside Sacramento because he has been deeply involved in the GOP wars for years. Until he ran for the Assembly last year, McCarthy

emerges



Photos in this article are courtesy of Kevin McCarthy

> **"I think Kevin is very capable. I think he is very personable. He and I have had several discussions, and we intend on having more on how we can better work together."**
> **—Assembly Speaker Herb Wesson**

was a top aide to moderate U.S. Representative Bill Thomas of Bakersfield. For nearly two decades, Thomas was often engaged in guerilla warfare against the conservatives who controlled the state party leadership. At state GOP conventions, fliers slipped under delegates' hotel room doors with harsh condemnations of Thomas have long been regular features.

McCarthy was a Thomas lieutenant in those battles, along with Thomas' Bakersfield political consultant, Mark Abernathy and Abernathy's wife, Cathy — Thomas' former chief of staff.

Republican battles

In the 1980s and early '90s, as chairman of the mainstream California Young Republicans and later the national Young Republican group, McCarthy himself was at the center of the running battle between moderates and conservatives for control of the hearts and minds of Republicans.

Within the California Young Republicans, feelings became so strained between the two groups that conservatives split off in 1993 and began organizing themselves into chapters of the Young Republican Federation of California.

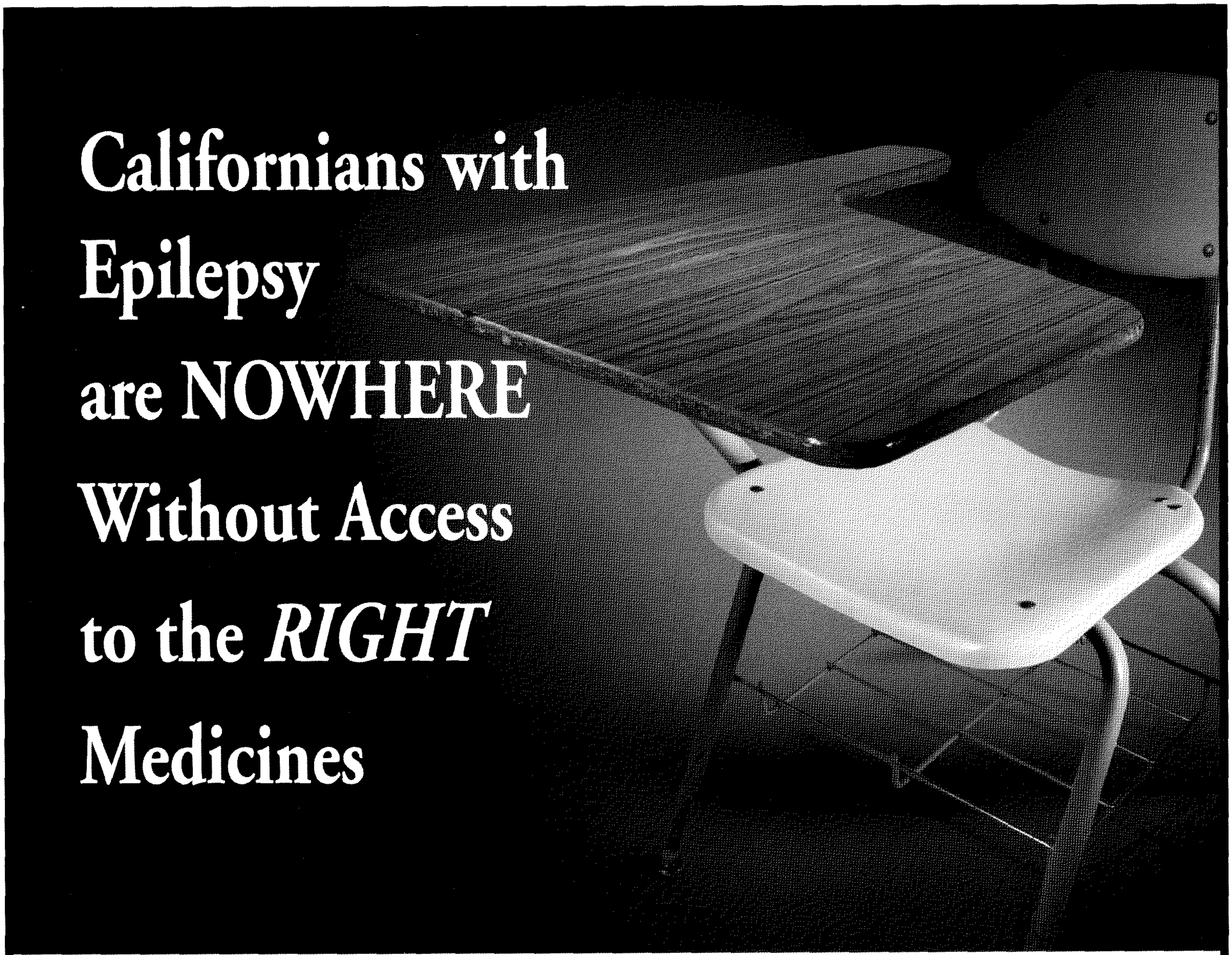
"The California Young Republicans were in essence a controlled organization from the top down, and sitting at the top of that organization was the Bill Thomas organization — Mark Abernathy, Kevin McCarthy and people like that," said Jon Fleishman, who helped lead the rebellion and later became executive director of the California Republican Party.

McCarthy and the Young Republicans sued to stop the new group's use of the term "Young Republican." They won in court initially, but the state Republican Party leadership stepped in with a threat to de-charter them if they didn't drop the issue. They did, but the battle still rages on in Bakersfield. To this day, the Kern County Republican Central Committee — controlled by Thomas' people — refuses to recognize the local young Republican splinter group.

The Thomas-McCarthy wars with the state party leadership apparently peaked in 2001. That's when they backed the unsuccessful drive by Bob Larkin and other moderates to install moderate former Assemblyman Brooks Firestone as head of the state GOP organization. They argued that GOP defeats at the ballot box in recent years were partly due to defections of women and moderates turned off by the party's hard-line stance against abortion and gun control.

Later in the year, President George W. Bush's White House political organization stepped in and put businessman Gerald W. Parsky in effective control of the state party with authority to knock heads if people didn't learn to get along.

Last year, the battle lines between conservatives and moderates became somewhat blurred during the contest for the party chairmanship between Duf Sundheim and Bill Back. Back was endorsed by the conservative California Republican Assembly, although Sundheim was considered at least as conservative as Back. When Sundheim


Californians with
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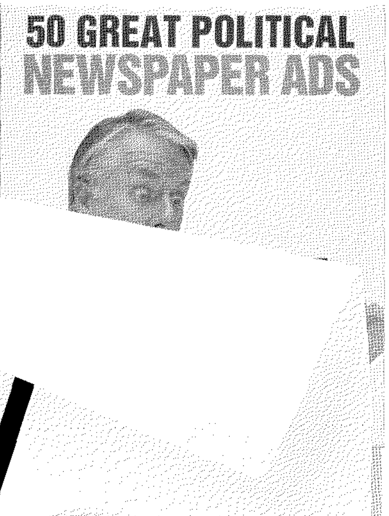

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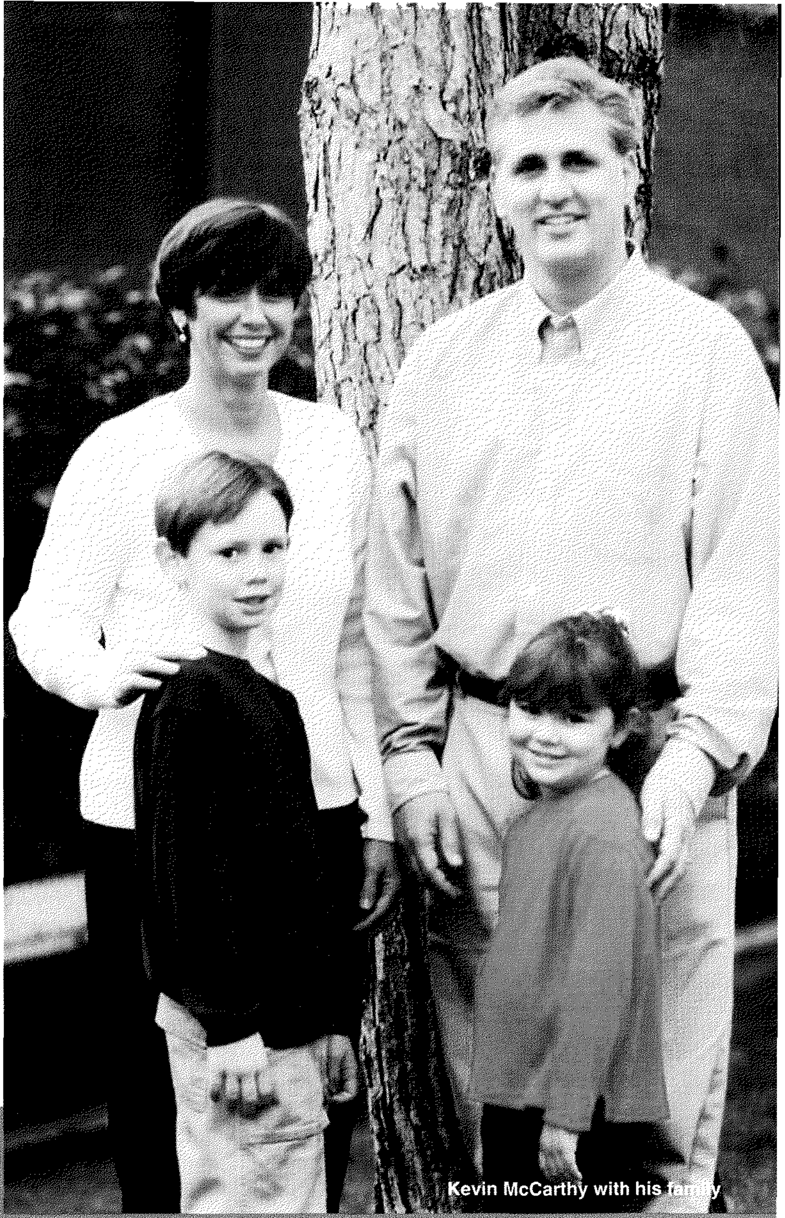
won, he pledged to try to make the party more attractive to women and moderates without offending conservatives by removing the anti-abortion plank from the party's official platform. For the record, McCarthy supported Sundheim.

And if you believe McCarthy, Strickland and Haynes, the lines have all but disappeared in the Assembly Republican Caucus. However, some friction remains, at least among members from the Central Valley. After last year's election, conservative freshman Assemblyman Bill Maze (R-Visalia) appointed McCarthy's 2002 primary election opponent, conservative Bakersfield Councilman Mike Maggard, to the Thomas-controlled Kern County central committee, predictably infuriating McCarthy. In addition, McCarthy and Assemblyman Steve Samuelian (R-Clovis) remain bitter enemies from the old young Republican battles. Knowing that, Speaker Wesson perpetrated a cruel joke by assigning the two to adjoining seats on the Assembly floor.

McCarthy's colleague Strickland was one of the original young Republican rebels, but he says he now has no trouble overlooking his past differences with McCarthy. He attributes much of that to Cox's efforts to keep the caucus pointed in the same direction over the past three years.

"We're more unified and together than we have ever been," Strickland said. He and others are proudest of their ability to hold out against tax increases in the deficit-wracked state budget this year. Cox, who took over the leadership from former Assemblyman Bill Campbell (R-Irvine) in one of those coups, is happy to take his share of credit for that.


Kevin McCarthy with his family

"If they try to hold up the agenda that Arnold campaigned on, I think they're going to have trouble. People don't want politics as usual. They want to see something happen and they want change."

— Kevin McCarthy

"One of our hallmarks is that we have held the caucus together," Cox said. That's one of the reasons, he believes, that "I am the first leader since 1994 to add [Republican] seats. If we had had more money, we might have added more seats."

Cox now praises McCarthy as a "bright, articulate young man," but insiders say he initially resented McCarthy's efforts to pressure him to step down before his term ends next year. However, that apparently evaporated when Senator Rico Oller (R-San Andreas) decided to run for Congress, opening the way for a potential Senate campaign for Cox next year, when he is termed out.

McCarthy will have the job of trying to add even more GOP seats. He says he believes it is possible for the GOP to win a majority in the Assembly before the end of the decade, despite the 2001 reapportionment that was supposed to lock the partisan status quo in place. He believes Schwarzenegger's election is a major step in that direction, especially if Democrats keep acting like Democrats.

"If they try to hold up the agenda that Arnold campaigned on, I think they're going to have trouble," McCarthy said. "People don't want politics as usual. They want to see something happen and they want change."

The lottery winner

One of the state's top political leadership posts, which comes with a seat at Big Five budget meetings, is pretty heady stuff for a man who never started out to seek a career in politics.

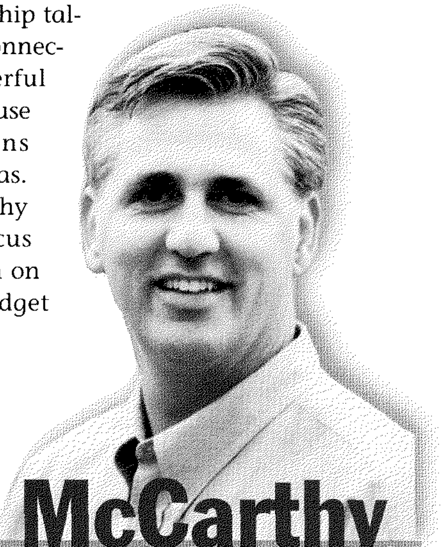
McCarthy is a member of the fourth generation of a pioneer Kern County family. His late father, Owen, was assistant fire chief in Bakersfield. An uncle is a retired Kern County fire chief.

McCarthy thought he wanted to go into business when he grew up. He got a lucky start. The day after the California Lottery was launched with the sale of scratcher tickets in 1985, McCarthy and a friend stopped on their way to college classes in Bakersfield and bought a couple of them. One of his turned out to be a $5,000 winner.

He used the money to start a small deli, which he built up and sold for enough money to complete his education. But before finishing his studies at California State University, Bakersfield, he met Thomas and was persuaded to take a job on the congressman's staff. There he remained, rising to become Thomas' district director.

Along the way, he served on the boards of several community programs in Bakersfield. He prepped for his legislative race by winning election to a seat on the local community college board in 2000. He and his wife, Judy, have two children in elementary school, Connor and Meghan.

When McCarthy arrived in Sacramento, Cox recognized some leadership talent, or at least a connection to the powerful chairman of the House Ways and Means Committee, Thomas. Cox named McCarthy one of four caucus whips and put him on the Assembly Budget Committee.



Kevin McCarthy

Personal

Wife, Judy; two children, Connor and Meghan

Education

BS, California State University, Bakersfield
MBA, California State University, Bakersfield

Career

Former district director, U.S. Rep. Bill Thomas

McCarthy quickly took it upon himself to drill the Assembly's parliamentary and procedural rules into the large GOP freshman class with flashcards and mock floor sessions.

"When you're in the minority, knowing the rules gives you greater strength," he said. "One thing I've learned from the Democrats, having such a large majority, they don't always learn all the rules because they don't have to."

He says that wasn't part of his campaign for leader, but it undoubtedly helped.

Oddly, McCarthy did not campaign for the leadership by making a lot of speeches on the Assembly floor or injecting himself into committee debates. Assembly Budget Committee chair Jenny Oropeza (D-Long Beach), asked how McCarthy handled himself in her hearings, didn't initially remember that he was on her committee.

What did help, almost certainly, was McCarthy's easygoing manner and gregarious personality. Those are valuable traits when your boss is repeatedly voted the meanest man in Congress in a magazine poll and recently had to apologize on the House floor for calling police to evict Democrats from a congressional library.

McCarthy slipped easily into a Tuesday morning pickup basketball game at the Capital Athletic Club with some other GOP freshmen as well as Strickland and former Democratic Assemblyman Richard Katz, then a key adviser to Gov. Gray Davis.

That helped him win Strickland over.

"Tony and I probably got to know each other better on the basketball court," he said. "We never really knew one another, and then when we finally met, and we worked together, we would find that we have a lot of the same beliefs — maybe just different tactics about going out to get the outcome."

Indeed, time and political necessity may be working together to bridge the gap between Republicans inside and outside the Capitol. Some veterans of the GOP wars like McCarthy and Fleishman still find it difficult to trust each other, but the bitterness may be fading faster among the new generation of leaders.

Chuck Hess, the president of the Young Republican Federation of California, said some members of the organization "still hold grudges" against McCarthy, but he and many others do not.

"I personally don't know Kevin McCarthy," Hess said. "I'd like to meet the man, and certainly Republicans need to work together in more unity."

Unity is a theme that comes up often in conversations with McCarthy. He attributes his election as leader less to selling himself than to the caucus — which has often been compared to a herd of cats — coalescing around the team concept.

"You know Republicans," he said. "You can't tell people what to do. We're individuals. Everyone decided for themselves that, yeah, this is the best idea." 🏛

Vic Pollard is a Sacramento reporter for the Bakersfield Californian. Send comments to **comments@californiajournal.com**

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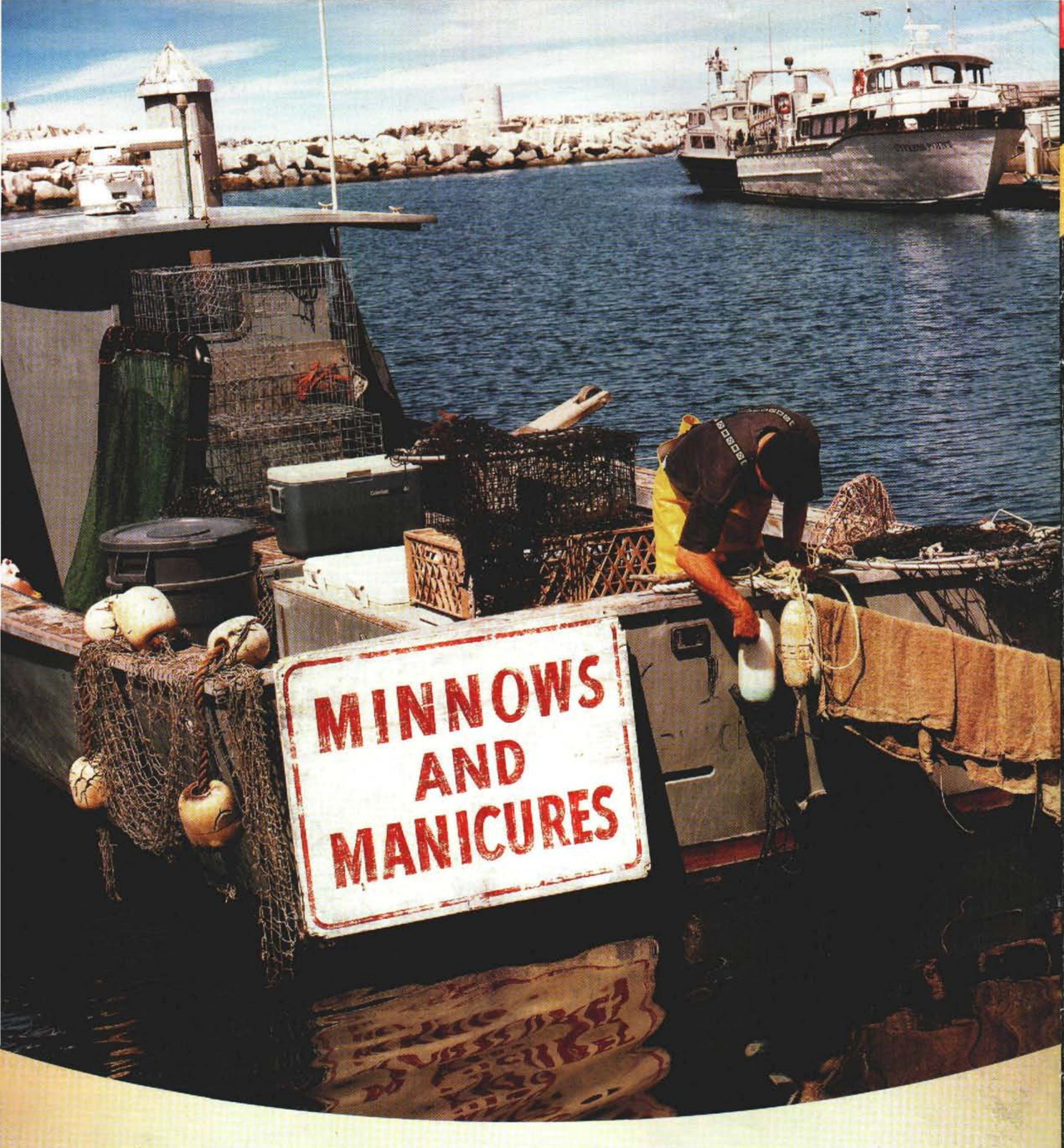

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